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BIBLIOGRAPHY OF KEY ARTICLES ON SALT, ARMS CONTROL ISSUES

Paris POLITIQUE ETRANGERE in French No 3, Dec 79 pp 571-580

[Excerpts] An exhaustive bibliography--or rather one claiming to be--would be immense and of little use to the French reader. Therefore we have chosen a deliberately selective bibliography, listing only the most important studies and, if possible, the evolution of the SALT treaties, the SALT II debate in the United States, SALT and arms control, SALT and Europe.*

--"The International Balance of Power and the SALT Treaties," REVUE FRANCAISE DE SCIENCE POLITIQUE, special issue, August 1973, articles by Pierre Hassner, J.P. Deriennic, Renata Bournazel and Jean Klein.

SALT II, History

An impressive number of studies have commented on the conduct of the negotiations. We can cite:

In French

--J. Bonnemaizon: "The Strategic Agreement of Vladivostok; An Attempt At Proportion Within Disproportion," DEFENSE NATIONALE, May 1975, pp 27-36.

--Francois Vallaux: "SALT II: Americans and Soviets, Their Backs to the Wall," DEFENSE NATIONALE, December 1975, pp 57-68.

There are two remarkable studies in French:

--Lothar Ruehl: "SALT II, or the Difficulty of Counting," DEFENSE NATIONALE, March 1977, pp 45-70; and:

* This bibliography was prepared with the help of Herve Coutau-Begarie, University of Bordeaux, and Jean-Francois Bureau, researcher at CEPODE [expansion unknown].

--Jacques Huntzinger: "The Real History of SALT, or the Failure of Arms Control," POLITIQUE INTERNATIONALE, No 4, Summer 1979, pp 111-137.

Analysis

--Herve Coutau-Bergarie: "The SALT Treaties. An Interpretation," CAHIERS D'ANALYSE POLITIQUE COMPAREE of the University of Bordeaux, to be published in 1980.

--Wolfgang Porzick: "SALT II in the Crossfire of Criticism. The Internal American Controversy on the Security Policy of the Carter Administration," EUROPA-ARCHIV, No 16, 1978.

For a very critical analysis of the "perverse effects" of SALT with respect to the goals formerly attributed to "arms control," see:

--Pierre Lellouche and Jerome Dumoulin: "The SALT crisis: Failure on Negotiation or Failure on Arms Control?" COMMENTAIRE, No 3 pp 348-354.

The Impact of the SALT treaties on arms programs was studied in:

--Milron Leitenberg: "The Development of Strategic Arsenals Since SALT I," POLITIQUE ETRANGERE, 1974, nos 4-5, pp 427-440.

The impact of the SALT debate on the counter force doctrine is analyzed by Marie-France Toinet: "The New American Strategy and SALT II," DEFENSE NATIONALE, June 1974, pp 45-57.

In French, an issue of PROBLEMES POLITIQUES ET SOCIAUX is devoted to this problem: "The Soviet Military Policy and SALT," 1975, No. 261.

--Jean Klein: "SALT Agreements and European Security," REVUE FRANCAISE DE SCIENCE POLITIQUE, vol XXIII, No 4, August 1973.

On the other hand, SALT II has caused some uneasiness in Europe, if we are to judge by the studies published since 1978:

--Jean Louis Gergorin: "The SALT Talks and the Defense of Europe," DEFENSE NATIONALE, June 1978, pp 43-56.

--Jacques Baumel: "Strategic Arms Limitation," a report presented to the Assembly of Western Europe, Document 787, 31 October 1978.

--Lothar Ruehl: "Europe Sacrificed to the SALT Agreements?", DEFENSE NATIONALE, March 1979, pp 41-58.

--Pierre Lellouche: "France, The SALT Treaties and the Security of Europe," POLITIQUE ETRANGERE, 1979, No 2, pp 249-272.

--Pierre Gallois: "The SALT Treaties: Useless and Dangerous Negotiations,"
POLITIQUE ETRANGERE, September 1979, pp 51-71.

Even before the ratification of SALT II, a new debate has arisen over the limitation of "theater" nuclear arms deployed in Europe, in the context of possible SALT III negotiations. The relationship between SALT II, SALT III and European security is particularly well analyzed in its various aspects in:

--Lothar Ruehl: "The SALT II Treaty and European Interests,"EUROPA-ARCHIV,
No. 15, 1979.

8956
CSO: 3100

EEC 1980-81 AGRICULTURAL PRICING POLICY PROPOSAL

Paris LE MONDE in French 3 Mar 80 pp 1,20

[Article by Finn Olav Gundelach, vice president of the Commission of the European Economic Community, in charge of agricultural questions: "The Setting of European Agricultural Prices -- The Reasons For a Proposal"]

[Text] The recent proposal by the Commission of the European Communities with regard to the setting of agricultural prices for the 1980-81 agricultural campaign has raised a wave of protests in the European agricultural world. The rate of the price hikes, as well as the special measures for milk, have been labeled a "provocation," and "an intolerable aggression" with regard to the world of the farmers.

The object of this article is not to justify the attitude of the European body, because, as a political body it must assume its responsibilities, however unpopular it may be.

On the other hand, the commissioner in charge of agriculture is duty bound to explain to all European public opinion the reasons which led him to such a proposal, made without enthusiasm and imposed by objective considerations. A sincere reader will undoubtedly realize that the path was narrow and the margin for movement limited.

Agricultural prices have in general, but specifically in the common European policy, two roles: the relationship between supply and demand, as is the case for all goods and for all markets; and the agricultural price also has an essential function in the formation of the farmer's income, due to all the systems of guarantees and interventions set up for most products. We find here assembled the three constraints which determine any agricultural price proposal: the state of the markets, the development of the farmers' incomes, and the budgetary means available to ensure the functioning of the support systems.

For most of the agricultural products in the Community, technical progress and the building up of capital have led to a steady increase in production, which faces the stagnation of internal consumption. This stagnation can do nothing but continue due to the demographic decline and the high nutritional

level already achieved. This has been confirmed for dairy products, for grains, for sugar, for beef, and for wine. A simple taking into account of the balance of the markets would thus have led us not to propose any price hike. Indeed, if it is possible to make the European consumer and taxpayer understand that he must pay a certain price to ensure a guaranteed supply, how can he be made to agree that the price must be raised even more to encourage unsaleable production increases?

Having reached this point, it would be proper to clarify an essential aspect of the controversy: certain agricultural or political leaders believe that, to settle the problem, it would suffice to encourage the Community's vocation for exports, to increase food aid or to close our borders to all imports. Unfortunately, the problem is not that easy to solve.

With regard to dairy products, deliveries to the dairy plants are going up more than 2 percent each year, while butter and powdered milk cannot establish any additional outlets at reasonable costs. In 1979, the exports of powdered milk increased by more than 50 percent by being subsidized for 80 percent of the product's value paid to the European farmer, and yet, the reduction of supplies from 1,500,000 tons to less than 200,000 tons was primarily due to internal sales measures (incorporation into food for poultry and pigs) which involved 500,000 tons, but at an exorbitant price which was denounced by those same leaders. But who would believe that we could have done without those internal measures by doubling our exports?

As for butter, the volume of exports also experienced a remarkable development, having reached more than 420,000 tons in 1979 for the whole of the Community, or nearly a doubling of our sales. In spite of this extraordinarily expensive effort, our supplies at the end of the year 1979 were nearly at the same level as at the end of 1978. Everyone knows that the world market for butter is very tight as buyers come to the market or withdraw from it, depending on the price of vegetable oils, depending on their liquid assets in foreign currency, and depending on the imperatives of domestic policy. One must recognize the obvious: any new increase in the production of milk, which is translated primarily into butter and powdered milk, is saleable only at clearance sale prices.

As for aid in dairy products, this is limited by difficulties of transportation and by the nutritional habits of those developing countries which have vegetable oils at their disposal. Is it known that the authorities responsible for refugees in South East Asia have just reported to the Commission that dairy products, unlike grains, were not accepted by the rural people and that they were going to stop the distribution of butter oil?

On the other hand, no person informed in the matter of dairy problems would believe that all those quantities of milk, instead of being transformed into butter or powdered milk, could be used for making cheese without compromising the latter's market. Cheese consumption in the Community goes up at the remarkable rate of 4 to 5 percent per year, while exports increased by approximately 40,000 tons in 1979, or by 20 percent. To maintain these

rates of increase during the next few years would already be an outstanding performance. To multiply them by 2 or 3, by transforming the surplus milk into cheese, would be utopian.

Finally, one might say, would it not suffice to stop butter exports from New Zealand? Aside from any political consideration, the only tangible result of this would be to provide a breathing period of one year by reducing public and private supplies from 370,000 tons to 250,000 tons. At the current rate of increase in deliveries to the dairies and in butter production, the old volume of supplies would be reached again at the end of one year.

Major Mistake

The situation for the other agricultural products I mentioned is less serious, because if there are long term production increases, there are also alternating good and bad crops, or variations in the world market, which make market imbalances less inescapable and less dangerous. This is the case, for example, for wine where the Community has experienced record crops this year, but after 2 years of low vintage. By preparing for the future, as we did in December 1979 by adopting a set of structural measures, the situation can still be controlled and this is why we have proposed a price increase of 3.5 percent.

There are foreign outlets for grains, both in trade form and in the form of gifts; but, let us not forget that we should not dig a gap between our prices and the world prices, and especially that a certain price hierarchy between vegetable products and animal products must be respected within the Community. Fifteen years ago, the Community made a major mistake by setting the common price for grains at too high a level: it is our duty not to worsen the consequences of this "original sin." If one takes into account the need to put a brake on the cost of animal nutrition, and if one has the will not to widen the gap between the incomes of grain producers -- who are better off, generally speaking -- and the incomes of producers of animal foodstuffs, firmness on milk prices would lead to caution in the setting of grain prices.

With regard to sugar, a sudden and recent reversal of the world market could cause one to doubt the appropriateness of our proposal. The reality is that, as in 1974, a temporary break between world supply and demand, together with a degree of speculation, should not let us forget that in the long term there is an overabundance of sugar on the market. As early as 6 months ago, the world price was so low that aid to exports represented nearly 70 percent of the price paid to the European producer, while Community exports already represent more than 20 percent of our internal consumption (re-exportation of ACP [African, Caribbean and Pacific Countries] sugar excluded).

Finally, as far as beef is concerned, any significant hike of the intervention prices would have the effect of discouraging a consumption which has

become very sensitive, due to the competition of pork and poultry. Moreover, in our Community more than 70 percent of the meat comes from the slaughter of dairy cows: any institutional increase then in the price of meat first of all represents additional income for the dairy producer, thus encouraging him to expand his milk production. This is why, in spite of the financial difficulties, the Commission has chosen to encourage directly specialized beef cattle herds through the establishment of direct aid which will cost the Community 200 million ECUs [European Currency Units] (or 1,200 million French francs).

Before leaving the subject of the markets, I would like to emphasize that the future of agriculture -- whether of the farmers themselves or of the producing and exporting capability of the Community -- is not tied solely to the increase of institutional prices determined for a given major base product.

Make Points

As a matter of fact, aside from those products with very different prospects for development, there is an area in which the Community can still make points: it concerns the more processed foodstuffs. Indeed, during the last few years our member states have developed an efficient agricultural food industry. As it employs one out of six workers in the Community, the agricultural food industry gives greater value to agricultural production, lends itself better to innovation, to the search for new products, and thus to the discovery of new markets.

Thus, the state of the markets, the need to maintain certain price relationships among products, encouraged the conclusion that a price freeze should be imposed yet this year for the large surplus productions. The wish to take a step, even a slight one, on the road to reduction of the positive monetary compensation amounts, and especially the taking into account of the development of agricultural income, have turned the Commission away from this path and have led it to propose increases, even though limited ones, but increases for all products.

Agricultural income is tied to numerous factors which do not all depend on the common agricultural policy. The development of production costs, the increase of the overall price level, the monetary variations are elements which fluctuate more in function of the policies carried out by each member state than on the basis of decisions made at the Community level.

Consequently, each year the Commission of the European Communities is faced with a large variation in the development of incomes. For the first time in several years, the 1979 results showed a negative development of the real agricultural income for all the member states, except for France and Italy. For these two countries, the devaluations of the green money and the significant production volume explain these positive results which -- I would like to emphasize it -- are not the result of an "alchemy" produced by Eurocrats in Brussels, but only the result of data provided by each member

state. It is to take into account the deterioration of most of the agricultural incomes that we have proposed a weighted average price increase of 2.4 percent, which in fact approaches 3 percent when the financial floods, which will result from the new subsidy to specialized beef production, are incorporated in terms of prices.

Finally, when the idea of agricultural incomes is brought up, it would not be useless to recall that the problems of incomes -- and specifically that of a reduction in inequalities of income -- will not be solved in the Community simply by the market policy. The structures must also be influenced. I have personally attached a very great importance to the adoption of the measures taken last year to encourage Mediterranean agriculture. I now attach the same importance to the adoption by the Council of Ministers of the proposals, already made a year ago by the Commission, to give a renewed impulse to this structural policy. Whether it concerns measures favoring young farmers, the increase of aid to mountainous regions, the directive on the modernization of farms, the Commission's position is to channel public, or national, funds of the Community toward those regions which most need them, to the benefit of those farmers who need it most.

To Reconcile the Irreconcilable

Our last constraint is of a budgetary nature. Currently, the Community uses nearly 70 percent of its receipts to cover agricultural expenditures. The dairy sector alone takes up approximately 30 percent of the whole Community budget. Now, apart from the political desire to maintain an operating margin to develop other common policies, which have become indispensable due to the economic crisis and unemployment, the Commission should take into account the fact that there is a ceiling on the Community's budgetary resources. Unlike the member states, which have the choice of "levying a tax," the Community for its part lives within the framework of its "own-resources" as defined by the treaty of 1970. For the time being, the member states are not yet ready to lift the ceiling on these resources. This is what they reaffirmed unanimously during the Council meeting of 11 February last, by specifying: "A better organization of the common agricultural policy is absolutely indispensable, not only with a view to achieving a noticeable reduction in the rate of increase of agricultural expenditures, but also to avoid -- taking into account the resources which will have to be allocated to the other policies -- going beyond the limit of 1 percent of the amount of the "own-resources." Thus a new element has been introduced with regard to old practices: the price proposals, the proposals for the adjusting of regulations, the daily market management, must abide by a certain limitation of financing means.

To reconcile these irreconcilable constraints, the Commission, like any political institution, had to make a choice. This choice was, on the one hand, to face squarely the "illness" which strikes the common agricultural policy -- specifically, the dairy surpluses -- or, on the other hand, to propose very moderate price increases. In the long term, the only remedy to the dairy problem is the stabilization of production. The super-tax

proposed by the Commission has a double aim: to dissuade the producers from /continuing to increase production/ [printed in italics], and in the meantime to provide certain financial means to ensure the movement of the surplusses. Public opinion should realize that the Commission's approach is that of a stabilization policy, while, if the importance of social problems in this sector had been misjudged, the economically wise thing would have been to impose a reduction in production. Expressed as a percentage, the super-tax equals 84 percent of the set price for milk usually paid to the dairy producers.

This figure, which has aroused emotions, is actually terribly significant. It means that, after having accepted the current production volume as a given fact, after having accepted the current level of dairy expenditures -- or nearly 4,500 million ECUs (or 27 million French francs), the sale of each liter produced costs the European Community 84 percent of the price paid to the producer.

I am one of those who believe that the common agricultural policy represents an irreplaceable asset for Europe, because of the food security it brings to the Community -- but also to a world threatened with famine --, because of its contribution to the trade balance of certain member states, and because of the political, social and regional balance it represents for Europe. Because I believe in the vital necessity of this policy, I believe that it should be saved and cured of its only significant "illness." If the Council of Ministers handles the dairy problem resolutely during the decisive weeks of March, both the criticisms of the common agricultural policy, and the justifiable emotions which I mentioned at the beginning of this article, will be relegated for many years to the rank of bad memories.

8463
CSO: 3100

DEFICIENCIES IN AGRICULTURAL STRUCTURES STRESSED

Rome L'UNITA in Italian 13 Mar 80 p 18

[Article by Augusto Pancaldi: "Why Our Neighbors' Europe Is 'Greener'"]

[Text] Strasbourg--Giscard d'Estaing having returned from his tour of the Arab Emirates, the presidency of the French republic published Tuesday evening a succinct statement to the effect that France will not agree to any concession to Great Britain (which is requesting a reduction in its own contribution to the EEC budget) as long as that country continues to oppose an "equitable solution" to the sheep problem, one of the many price and market problems jolting European agriculture.

"Green Europe Is in a State of Crisis: Giscard Says to Mrs Thatcher: this was the most glaring headline on the front page of yesterday's FIGARO, to which we could add others on the worsening "of the good-natured misunderstanding" between France and England, on the ultimatum Paris gave London, on the "paralysis of institutions" and the like, to reveal in what atmosphere of uncertainty (and while awaiting the extraordinary session on agricultural prices to be held from 24 to 27 March in Strasbourg and the EEC summit meeting on the British contribution, scheduled for the end of the month in Brussels) the European Parliament is operating these days, the current session of which has on its agenda the examination of one of the problems of EEC agriculture--namely, the structural policy.

In 1972, the EEC had taken certain measures aimed at improving the structures of EEC agriculture and promoting a more homogeneous development of those structures with respect to increasing imbalances by modernizing the less efficient plants or eliminating the oldest agriculturists from the sector to improve productive conditions.

Eight years later, how do we stand on the policy of restructuring? Yesterday morning, Carla Barbarella of the Italian communist group and coalitions presented--as spokeswoman--the report of the European Parliament Agricultural Commission (approved by an overwhelming majority). On the one hand, the report points out that the structural policy initiated in 1972 has had an insignificant impact and has proved to be totally inadequate to solve the basic problems of the weaker plants and areas; on the other, that the

imbalances became worse due to the expansion of plants and sectors already developed and the deterioration of those which were weaker. Therefore, the new proposals offered by the EEC Commission, although containing positive aspects, remain insufficient.

"In fact," Comrade Barbarella emphasized, "the series of new proposals, besides not going beyond the old mechanisms of expelling the weaker firms and developing the stronger, does not introduce true criteria of a policy of regional intervention capable of restoring balance among the EEC agricultural structures. This has given rise to a series of proposals which the agricultural commission is presenting to parliament to strengthen the EEC Commission's plans: limiting the dairy-products sector on the basis of the structural conditions of the individual areas and singling out the areas which produce excess; greater flexibility and differentiation in the provisions for restructuring; particular attention to the problems of participation of the youth in the agricultural sector; more thorough study of new methods for organizing agricultural labor; greater consideration of the problems and requirements of mountain agriculture; and the development of a policy of territorial intervention which is not fragmentary but becomes systematic."

In conclusion, Comrade Barbarella stated on behalf of the commission that a structural policy, which is carried out more thoroughly even on the financial level and properly articulated and differentiated, can contribute, first to determining a more balanced common agricultural policy and, second to making it possible to achieve greater internal cohesion within the EEC, cohesion now more than ever foreseeable and necessary.

It is interesting to note that, aside from the conservative group, Comrade Barbarella's report met with broad agreement by the most diverse political sectors and by EEC Executive Committee Vice Chairman Gundelach, who could not help but appreciate the work of the parliamentary committee and its objectives, while having reservations about some of its suggestions.

In the morning, a report presented by DC [Christian Democrat] Pedini on behalf of the Policy Committee again proposed that parliament institute a European passport for all EEC citizens. On behalf of the Italian communist group and coalitions, Mrs Baduel Glorioso supported this initiative, and it was then approved by a large majority.

8568

CSO: 3104

FINANCE MINISTER GEENS DENIES FRANC TO BE DEVALUED

Duesseldorf HANDELSBLATT in German 18 Mar 80 p 8

[Article: "Franc Need Not and Should Not Be Devalued"]

[Text] Brussels, Monday, 17 March 1980--Belgian Finance Minister Gaston Geens maintains that the Belgium franc is sound and a devaluation of the currency is therefore not necessary. In a discussion with HANDELSBLATT, the minister declared that not only negative foreign trade balance of payments should be viewed but also the structural reforms and trends towards improvement due to the measures taken by the government. (See also HANDELSBLATT of 19 February 1979)

According to the finance minister, who, like Prime Minister Martens, belongs to the largest party in the coalition, namely the Flemish Christian People's Party [CVP], a basic advantage and starting point in finance policy is the relatively low inflation rate of 5 percent last year and a projected rate of less than 7 percent for this year. It is especially important that the trade unions have accepted the wage policy of the government, namely setting a limit for wage increases of only 2 percent in real terms.

No Massive Price Jumps

This inflation rate of less than 7 percent, says Geens, can also be viewed as a stabilizing effect because at least for this year no massive price jumps are being expected. A stable and low inflation rate, however, will have a positive effect on the Belgian economy and its foreign trade capacities in the long run because the production costs can develop more favorably than in other countries having much higher inflation rates. Minister Geens noted that exports in the last 3 years had shown a marked upward tendency, the increase in imports totaling somewhat more than exports because the raw materials and crude oil that had to be imported were considerably more expensive.

This heavy dependency on imports of raw materials, especially for energy supplies, also prohibits any devaluation of the Belgian franc because it would make the imports more expensive and thereby eliminate the cost advantages

again (on the export side). Another cause for the weakness of the franc has already been successfully eliminated by the government: The budget deficit of the state and state-run institutions. In Parliament, the government has pushed through a law calling for a rigorous reduction in the expenditures of the state and in the subsidies paid this year to public institutions (such as the railroad, postal services, health insurance) from last year's level of 100 billion Belgian francs to 80 billion Belgian francs this year whereas the goal for next year was set at a deficit of only 50 billion Belgian francs.

Convert Debts

The finance minister also confirmed that his country also wants to make foreign loans this year in order to convert the old short-term loans into long-term ones. After many years of state abstinence from the foreign credit markets, for the first time last year Belgium took out a foreign loan of 1 billion dollars; presently there are negotiations underway with a group of German banks for a loan of around DM500 million (about 8 billion Belgium francs). Should Belgium obtain very favorable conditions similar to the ones they received last year--at a very slight interest rate--then there may be additional loans for this year totaling an amount almost as high as the loans taken out last year. The fact that interest rates have reached record proportions between governments is something that just has to be accepted. But the demand for credit has to be covered in order to finance both the budget deficit as well as for the investments required for the domestic economy. But they will observe the interest rate developments very closely, primarily from the point of view of investment activities in Belgium. Up to now, even the record interest rates did not yet lead to deflated private investments in Belgium.

The government also wants to maintain the principle it formulated last year of nonselectively giving a boost to all Belgian firms experiencing financial difficulties. They will concentrate their financial efforts particularly in the four sectors of shipbuilding, steel, textiles and in the glass industry. But even so, subsidies will be given to steel companies only if an investment program for reconstruction, improvement of a competitive basis and, with that, for providing future security is submitted. In other areas the basic question has to be raised as to what is more important and more efficient: The money for maintaining jobs (in view of an unemployment rate that has stabilized itself at about 7 percent) or money for new investments providing good prospects for the future.

9527

CSO: 3103

COMMUNIST LEADER INTERVIEWED ON PROSPECTS OF TRUDEAU GOVERNMENT

Havana VERDE OLIVO in Spanish 9 Mar 80 pp 16-18

[Interview with William Kashtan, secretary general of the Canadian Communist Party, by Juana Carrasco]

[Text] The people of the immense land of Canada went to the polls on 18 February and put an end to the shortest-lived government in that country's history: that of the Conservative (Tory) Joseph Clark, who was able to remain head of the Canadian Government for only 8 months. This was enough to carry him along a course increasingly similar to that of the reactionary "Carter Doctrine," in the midst of the precarious Canadian economic situation. Pierre Elliot Trudeau, head of the Liberal Party, emerged again as prime minister.

An analysis of events, the prospects for the new cabinet and the domestic economic situation was made especially for VERDE OLIVO by William Kashtan, secretary general of the Canadian Communist Party, who is in Cuba on a working visit at the invitation of our party.

[Question] Your country's economic situation is complex, and more so given the crisis confronting the capitalist system as a whole. What do you think are the people's priorities in this situation?

[Answer] The present situation is the following: Inflation is at 9.5 percent, unemployment has risen to 8.3 percent of the working population, and all the probabilities are that both indexes will rise further because the previous government, Joseph Clark's government, proposed increasing the prices of energy, of gas and petroleum, and this has an immediate effect on the standard of living of the working people and also on the cost of all goods in Canada.

As a result of this inflation, workers' wages have declined 5 percent during the last 2 years. I speak of real wages, for the determinant isn't

the amount of paper money they receive, but rather what can be bought with it; and, obviously, the increase in the price of food, of rent, of housing in general, has led to a decline--the greatest in the postwar period--and this has been the fundamental cause of the defeat of Clark's government in the recent elections.

Therefore, when you ask me what the priorities are, the great working mass of the people would like inflation to be controlled, unemployment to be reduced, the standard of living to be maintained and improved, and the economy to stabilize and expand. It hasn't been possible for these problems to be solved by the capitalist governments, so it's doubtful that Trudeau's can do it because they all are basically oriented toward protecting the interests of the monopolies and the multinational corporations; for while the standard of living is declining for the working people, the corporations' earnings have risen 35 percent in the past year and will rise much farther.

Of course, this gives rise to an acute problem. We think that within a short time there'll be a spirited confrontation between the working people and the capitalists over who is going to pay for this crisis, whether it will be the working people or the monopolies. This is the situation as we see it.

[Question] For 8 months, the Conservative Joseph Clark was the prime minister of Canada. Could we analyze the domestic aspect of this period, and especially with regard to the pursuit of the foreign policy that openly adhered to the "Carter Doctrine"?

[Answer] Mr. Clark entered the election with the slogan "This is a time of changes," and the people thought they were going to change for the better, and they got a change for the worse. Actually, the Tories were elected not for their program but because, I think, the people were tired of the failure to solve basic problems in 11 years of Prime Minister Trudeau's administration.

The budget introduced by the Clark government in Parliament, through the Ministry of Finance, reflects the change for the worse. As a result of it, inflation and unemployment would rise, the price of energy would increase 30 cents a gallon, and this would also happen to the cost of transportation, the heating of houses, industrial products, and so forth. For example, the premier of Ontario Province, the most industrialized one in Canada, said that if that program were approved, it would result in the loss of 20,000 jobs in his province.

Because of this budget, the government was defeated in Parliament on 13 December, when Liberals and New Democrats combined to withdraw their confidence and it was also the reason for his subsequent defeat in the election. Moreover, the Conservatives had promised to reduce taxes by

\$2 billion for low- and middle-income people; but it didn't happen. Thus, the people saw that the Conservatives were taking from them and giving greater earnings to the monopolist corporations.

The Conservatives miscalculated. They thought that when the people elected the Conservatives, it was because they wanted to move to the right. The people didn't want to move to the right; they were simply tired of Trudeau. The second mistake grew out of the first: They thought there was majority support for the cold war policy, and when the American president, James Carter, enunciated his "doctrine," Prime Minister Clark said he supported it 100 percent: "We are prepared"--he said--"to send our young men to the Persian Gulf to defend"--what he called--"western values." Obviously, he didn't mention imperial petroleum [as published] or Exxon. Then he supported Carter in his Olympic boycott, in the economic sanctions against the Soviet Union, in the limiting of cultural, scientific and all sorts of relations. Clark thought that this would help him to be re-elected because the people would forget the unfulfilled promises, would forget the bankrupt nature of his social policy and would support his cold war policy. But they miscalculated, and this has been seen in the election results: They voted for the Liberals, not for the Conservatives.

[Question] How do the Conservatives differ from the Liberals?

[Answer] In Canada the same thing happens as in other capitalist countries. There are two different wings of a single capitalism. A wing represented by the Conservative Party, the Tory party, which is more oriented toward a cold war, anti-Soviet, anti-working class, antidemocratic policy.

The other wing also represents the monopolies, but the Liberals have a different tactical approach to problems. We think that Trudeau represents this second line, which is more in favor of a policy of relaxation of tensions, of peaceful coexistence, in favor of normal commercial relations with the Soviet Union and all the socialist countries, although he is also in favor of maintaining imperialism.

I should add that the Conservatives are oriented toward a policy of continentalism with the United States: developing closer economic relations with the neighboring United States, and they see no prospect of expanding other markets to relieve conditions in times of crisis. They hope, as a result of the arms race, that the United States will place some arms-production contracts in Canada, and they will thus make some money. This is the economic element of the situation.

This vigorously brings to the forefront of Canadian politics the subject of foreign policy: which direction to take? Should it be an American or a Canadian policy? We think the struggle in this sphere is going to intensify.

[Question] Can we conclude, then, that the Trudeau government will make a substantial change in foreign policy?

[Answer] It could be . . . but, also, not. Because Trudeau represents the monopolist interests, and Carter's government is going to exert great pressure; and the basic question lies in the following: To what extent can counterpressures be brought to bear in Canada that help or force the Trudeau government to adhere to the declared line?

We should bear in mind that when Prime Minister Trudeau was elected and learned that it was a majority government, he stated at the Liberal victory celebration that he had received the mandate of the people of Canada to pursue a policy of preserving the peace between the United States and the Soviet Union and that Canada's role is that of mediator rather than the Tory position, which was to say, "We completely support, we stand beside, the United States."

Trudeau also said, "Our best friend is our closest neighbor, the United States," but he emphasized the need to keep the peace, to preserve peace between the Soviet Union and the United States; and this was the line he proposed during the electoral campaign. One can hope, then, that this will be reflected in some measure, but, as I said before, it depends on the pressure exerted by the people, by the mass movement, and that is a responsibility we have as communists, and we plan to meet it.

For peace-loving people in the world, for the socialist countries, I could say that, in a sense, the election results were a defeat for the cold war and a victory for the policy of relaxation of tension, of good-neighbor relations for Canada.

[Question] What is the outlook at the present time regarding the problem of the French-speaking province of Quebec?

[Answer] During the elections this was discussed only by the Communist Party; but our voice isn't sufficiently strong to have an effect. Trudeau said when he was elected that he considered a united Canada to be one of the people's mandates and that Quebec is a province like all the rest, which means denying the nationalist aspirations of the French-Canadians.

There will be a referendum in March or April, but the content of the survey regarding the form of association has not been settled upon. The Quebec Party has proposed dividing the referendum into two parts: The first is the right to negotiate, not the right to separate. In my opinion, most French-Canadians can support this because they want better treatment from the Canadian Government with respect to their language, their culture, economic equality, and so forth. They view the referendum as a part of negotiation. As a result, an overwhelming majority votes for the Liberal Party, the party that is for a united Canada, and at the same time they will give a majority vote to the referendum, for the right to negotiate as a way of improving their situation.

The Liberal Party of Quebec, led by Mr Claude Ryan, proposed greater decentralization of power to give more power to the provinces and take it from the federal government. Behind this is an effort to avoid the reality of two nations in Canada, for he is proposing to give rights to all the provinces, and this weakens the ability of the federal government to deal with the social and economic issues of interest to the country as a whole.

Moreover, decentralization would enable the multinational corporations to tighten their control of the natural resources controlled by the provinces under the terms of the present constitution drafted by the British. Thus, decentralization is a great danger, and we oppose it. Trudeau also opposes the decentralization policy, so we assume that there'll be a battle, either in public or behind the scenes, with Mr Ryan.

For years the Communist Party has fought for recognition that there are two nations in Canada. The way to resolve the matter is through the adoption of a Canadian constitution that would establish the voluntary association of the two nations in a binational state, with the right to self-determination, including secession, and completely equality. This is the way in which it can be resolved, even within the limitations of capitalism, although in the end only socialism will be able to resolve it.

We think the issue of nationalism will continue to be a contested one that will become more heated with the referendum. The bourgeoisie hopes that with Trudeau in power the sovereign association position will be defeated. We view the issue of French-origin nationality as a part of the democratic struggle in Canada.

[Question] What is the position of the Canadian communists concerning their country's membership in two aggressive blocs: NATO and NORAD?

[Answer] Ever since the NATO bloc and NORAD were created, we have fought to have Canada withdraw from them; for they take away the country's right to determine its own position. Decisions are made in the United States and not in Canada. We point this out to the working people and to other segments of the population, the most patriotic ones in the nation.

As a result of our efforts, the New Democratic Party advocated this view for a long time, although during this last election campaign its leader Edward Broadbent alined himself with the cold war policy. This will lead to a struggle within the NDP. Capitalists are also concerned with the question of whether Canada should remain in NATO and NORAD in this cold war atmosphere when the effort to bind our country is much greater and there is increasing pressure to continue the arms program in an annual budget that is increased 3 percent each year as a part of the commitment to NATO.

You may perhaps remember that during his previous term in office, Trudeau attempted to reexamine Canada's relations with NATO, to reduce its military

commitment and to withdraw a part of the Canadian armed forces from that bloc. They began to do it, but, then, the counterpressure originating in the United States was very strong and was combined with the most reactionary segments of Canadian capital, so that Trudeau had to declare his support for the proposed 3 percent increase in military spending.

In this election campaign again, the Liberal leader said he sees no reason for these increases in military spending and that money should be used for better purposes. This may perhaps indicate that the government will resist pressure regarding arms spending; but it remains to be seen. Nonetheless, we consider it a very important element in the struggle for an independent foreign policy.

We call for the dissolution of the world's two great military blocs: NATO and the Warsaw Pact, because it would be a mistake to give the impression that the Canadian Communist Party is not concerned about the defense of Canada; but, at the same time, we say that the best defense of Canada is peace in the world. If the tragedy of a war between the United States and the Soviet Union occurred, Canada would be in the very middle. Therefore, for the Canadian people the question of which foreign policy to pursue, the issue of NATO, of NORAD, are not abstract, but are very important elements because they involve the country's future.

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We dealt with many other issues in this long conversation with William Kashtan. The prominent Canadian communist leader has been accurate in his analysis. He has shown us the inside of an electoral campaign; the people's concerns, which are those of the communists; what the multinational monopolies, specifically the American corporations, represent in the Canadian economy; how they carry away the wealth, control production, exert pressure on domestic and foreign policy. He has described his party's tenacious struggle.

When the interview came to an end, he sent a warm greeting to the fighters in the Revolutionary Armed Forces of Cuba:

"We wish you great success in the defense of socialist Cuba. We know that American imperialism has been defeated through your effort several times and in different parts of the world. By its nature, imperialism never gives up, and we must always be very vigilant. Thus, strong, vigorous armed forces are a part of the Cuban people's ability to defend their revolution, to build a socialist, free and independent Cuba."

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CSO: 3110

KOEPLER'S ILLNESS PLACES BURDEN ON BIEDENKOPF

Frankfurt FRANKFURTER ALLGEMEINE in German 9 Apr 80 p 12

[Article by Lothar Bewerunge: "Biedenkopf Shoulders the Entire Burden -- How Koeppler's Illness Changes the North Rhine-Westphalia Election Campaign"]

[Text] Duesseldorf, April -- From one day to the next, former CDU General Secretary Biedenkopf inherited almost single-handed responsibility for the North Rhine-Westphalia CDU's welfare. On 11 May, this is where the last provincial election will take place prior to the big power struggle of the Bundestag election campaign next fall. It is conceivable that Biedenkopf, upon being elected chief of the Westphalia CDU and having established a new position for himself within the party by virtue of his Bundestag mandate and his chairmanship of the Bundestag Economic Committee, had asked himself whether he himself should aspire to the candidacy for chief of the Duesseldorf government. He soon found out that within the Rhineland party he was not "majority material"; he had some difficulty even with his Westphalian "troops." The intelligent and alert professor has since then untiringly professed his friendship with and loyalty to Heinrich Koeppler. At times the party seemed to consider him a bit pushy in this respect.

The logical solution arising from this difficult situation (which also involved the changeover in candidates for federal chancellor from Kohl to Strauss) was the establishment last fall of the Koeppler-Biedenkopf team which was slated jointly and in the sequence to enter the North Rhine-Westphalia election campaign. During the Easter holiday, Koeppler's illness, which will force him to take things easy for weeks or months to come, confronted the Land CDU with a new set of problems. By virtue of a quick decision, Biedenkopf has attempted to stifle a new crisis of confidence before it had a chance to develop. Koeppler remains as the candidate for the top job in Duesseldorf and the campaign motto "Double Energy for North Rhine Westphalia" remains unchanged as well. Posters will show both candidates side by side.

The courage of this quick decision has some built-in risks. The CDU and Biedenkopf must be certain that Koeppler will make a quick recovery and

regain his capacity for normal activity. Inasmuch as the CDU must represent to its voters that it is in a position to gain an absolute majority and therefore will take over the Land government, it must also be able to state with credibility that its candidate for the top job would be in a position to form his cabinet immediately after the election. Anything else could easily be interpreted as constituting fraud against the citizens. But there appear to be grounds for the expectation that Koeppler would recover more quickly than had originally been expected. Loyalty to the ill candidate has grown within party circles during the last few days. This is partly due to sincere concern, but doubtless more to the respect which Koeppler has earned for himself during the last 10 years in North Rhine-Westphalia, even beyond his own party, through his honesty, candor and consistency.

Nevertheless, Biedenkopf is trying under these conditions to spread the responsibility which was already his in his capacity as election campaign strategist and minister of economics in a Koeppler cabinet. This is indicated by his impassioned plea to the nation-wide CDU to make increased efforts in the North-Rhine-Westphalia election. There can be no doubt to whom this plea is addressed: certainly Kohl and Geissler, but also CDU Land chiefs like Stoltenberg, Albrecht, Vogel and Spaeth. Inasmuch as the CDU has directed the thrust of its campaign against the coalition headed by Minister President Rau (SPD) on the level of Land politics, no changes are planned in the participation schedule for chancellor candidate Strauss. His 12-15 appearances are to take place as planned; they will not be especially concentrated in the Ruhr, but also in the large rural areas around Muensters, the Eifel and the Sauer area. The CDU as well as the SPD have declined to designate this election as a "test election" for the Bonn contest, which indicates that neither of the big parties feel confident of being able to predict the 11 May results. Comparable 1975 figures were 47.1 percent for the CDU, against 45.1 percent for the SPD and 6.7 percent for the FDP.

Biedenkopf is trying to convert the psychological blow suffered by Koeppler's dropping out into an advantage. Koeppler's political adversaries are well aware of the fact that he enjoys great sympathy. This presents a greater difficulty for Minister President Rau, who has not been in office for long, than it did for his predecessor Kuehn, who displayed a statesmanlike attitude despite his personal lethargy. Biedenkopf is now setting great stakes upon Koeppler's popularity: "People know him; he does not need to advertise himself." Biedenkopf is trying to prove his point that political adversities can serve as a cohesive force by citing a simplistic simile from the commercial world: "If the boss of an enterprise is taken ill, his colleagues must do everything necessary to close the gap until he recovers." Within the party however, there is no clearcut answer to the problem of conducting a successful election campaign without the availability of the top candidate. All campaign materials have been printed at a cost of millions and are ready for use. Some people are of the opinion that no later than 8 days prior to 11 May, the moment when the CDU plans to make concentrated use of the poster saying "Trust Heinrich Koeppler -- Vote for better Government," their candidate must again become visible. Others do not see anything wrong with

the thought that a big show of sympathy and compassion might produce even better results than have been attained up to now.

But all these speculations ignore the presence of the political adversaries. While they plan to grant a certain grace period free from attacks just to be fair, both SPD and FDP plan to conduct as merciless a struggle for power as had been planned initially. The SPD final election motto is "Vote Strauss out of existence." Schmidt will be featured on their posters almost more than Rau. SPD and FDP plan to conduct a national election campaign within their province with the slogan: "Up with Schmidt and Genscher, Down With Strauss." They impute the same representative role for Strauss to Koeppler and Biedenkopf that Rau and Hirsch hold for Schmidt and Genscher. But the CDU seeks to present to its voters a purely Land-oriented decision issue; it evokes a picture of mismanagement in the Duesseldorf government, which has damaged the province, especially in the areas of education and energy management. Biedenkopf has carried this election campaign strategy, which he himself designed, to the point of declaring that only a CDU government in Duesseldorf would be capable of loyally participating in the federal government's energy program.

But there is one thing that Koeppler's illness has illuminated in a flash. Even though all parties continue to propose mountains of paper which they call "programs," election campaigns are so much revolving around the personalities of the candidates that if one drops out the lack of depth in leadership becomes painfully evident. Even before Koeppler fell ill, it was quite clear that his third attempt to become the chief of Duesseldorf's government would also be his last. No one in the CDU has any serious expectation that in case of defeat Biedenkopf would become the leader of the opposition in the province. This raises questions which, regardless of Koeppler's illness, have not been dealt with by the CDU to date.

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CSO: 3103

COMMENTARY ON NORTH RHINE-WESTPHALIA ELECTION CAMPAIGN

Heinrich Koeppler's Heart Attack

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 5 Apr 80 p 1

[Article: "End of the Line in Duesseldorf"]

[Text] There is no need to dwell on the causes of Heinrich Koeppler's heart attack; the strain to which all party leaders are exposed and which multiply during election campaigns has become a worry to everyone who is active in politics. For the CDU, the loss of its main candidate in Duesseldorf 5 weeks prior to the Landtag elections and 1 week before the official start of the election campaign constitutes a severe blow. This means not only that many election campaign schedules have to be revised; politics being as unsentimental as it is, the question must be raised whether the "Double Energy" slogan of the Koeppler/Biedenkopf team can still be used.

In any case, Biedenkopf wants to continue the election campaign in the name of the sick primary candidate whose main attributes--sincerity and integrity--have won him recognition beyond his party throughout the country. This is certainly undiminished by his illness; in addition, any other type of procedure would be difficult to imagine. This postpones dealing with the question of what to do if a recovered Koeppler (who is running for election for the third time in 10 years at the head of his team) should decide against once more assuming the burdens of Duesseldorf's head of government or opposition leader. These duties would then fall to Biedenkopf.

The way things are, this would be a difficult decision for him to make; most experts see poor prospects for a CDU victory in Duesseldorf. The results obtained last time (47.1 percent) are considered the maximum obtainable; but they would be insufficient to gain a majority even in case of a token success by the Greens, which in North Rhine-Westphalia is expected to remain way below 5 percent. Just recently Biedenkopf announced that in the case of an election victory he would be available to serve as minister of economics under Koeppler; otherwise he would exert greater efforts to advance himself in federal politics. While this desire can easily be understood, it is true also that no party can succeed if its top leadership disappoints its adherents

before the end of the line. Frankfurt's chief burgomaster Walter Wallmann can serve as an example for the opposite case. Richard von Weizsaecker is in close touch with the party in Berlin and remains its candidate. Biedenkopf would be well advised to do likewise in Duesseldorf.

Problems, Conjectures Concerning Election

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 5 Apr 80 p 4

[Article by Lothar Bewerunge: "What Next in Duesseldorf?--Koeppler's Illness Jolts the CDU"]

[Text] The news about the heart attack suffered by its candidate for prime minister, Loeppler, hit the CDU in North Rhine-Westphalia at the moment where it had planned to take a breathing spell during the Easter recess, just like the SPD and FDP, prior to the final battle for more than 12 million votes on 11 May. They considered themselves to be in good shape for starting the fight for an electoral majority and the formation of a government in Duesseldorf. There was optimism within the party: just because the experts said that about one additional percentage point was needed for a change in administration, hopes were high. The news of Koeppler's heart attack must have come as a severe shock in this situation. Biedenkopf and Kohl heard it while on vacation; Strauss, Zimmermann and Geissler were not prepared for it either.

Encouraging news bulletins were issued from Koeppler's bedside in Duesseldorf as early as Friday afternoon. Some advisers began rashly to make plans for the time when "the candidate" could resume working by the election campaign schedule. There really is no sound reason for this. The party must decide whether or not it can continue to work with Koeppler and whether it can realistically expect this of the patient and of the electorate whose confidence it hopes to gain. Apart from the sincere wishes for recovery, other thoughts immediately come to the surface. There is no doubt that since Thursday the CDU has been debating whether a mere 5 weeks before the election a change from Koeppler to Biedenkopf would be advisable, acceptable, appropriate or permissible. Many considerations play a part in this. Koeppler had been, and still is, considered an excellent vote-getter in election campaigns. The CDU expected additional benefits from the Koeppler/Biedenkopf juxtaposition, inasmuch as Duesseldorf's Kuehn/Riemer administration, which has meanwhile evolved into a Rau/Hirsch government, has for some time been incurring losses in image and attractiveness. Immediately upon Koeppler's dropping out, Biedenkopf reiterated his loyalty which he had been swearing for several months. His pronouncement to the effect that now even more intensive efforts would be made "for Koeppler to become prime minister," is designed to stifle any speculation that the clever, ambitious professor is trying to profit from this adversity.

Nevertheless, the problem remains on how the CDU expects to conduct an election campaign, with its top candidate sick in bed, especially in this

particular election in the most populous of all federal Laender--an election which, no matter what the outcome, will have great effects upon the party itself, on Strauss and on Bonn. Many hope that Koeppler himself will be able to make some clarifying statements within the next few days. This would save the party from having to make a torturous decision. Other considerations are of course in operation with respect to media tactics. Why should Koeppler not be able to make speeches, give interviews, let himself be seen and heard on TV and radio, without having to make the customary appearances in sports arenas, community auditoriums and market squares? Long-term observers of the political scene will remember a very similar occurrence. In 1958, former CDU Minister President Arnold became leader of the opposition in Duesseldorf, the CDU gained a decisive absolute majority and regained power from the first SPD-FDP coalition which had been established for a 2-year term. But Arnold paid for this victory with his death from a heart attack 10 days before the election.

No matter whether Koeppler recovers soon or later on, Biedenkopf carries the entire responsibility at this moment. All propaganda materials have been procured at a cost of millions and are ready for use. Their motto: "Double Energy for North Rhine-Westphalia." Koeppler and Biedenkopf were to be presented to the voters on all posters as an inseparable action unit. During the final 10-day phase of the campaign, it was planned to feature Koeppler alone: "Goal-directed, successful, circumspect, humane, active: Koeppler is best for our land."

Biedenkopf apparently has second thoughts as to whether the campaign which he in his capacity as campaign director had designed and approved, should proceed in its original format. SPD and FDP have so far practiced restraint in their comments. The defenseless adversary enjoys a fair measure of consideration. But the coalition had not directed its campaign against Koeppler anyway. At the present time, and certainly within the weeks to come, it is aiming squarely at Strauss--the SPD more so than the FDP. The SPD's final motto in early May is to be "Vote Strauss Away" along with the objective of securing Helmut Schmidt's position by electing Johannes Rau and to eliminate the prospect of "strangling stagnation" caused by a two-thirds CDU majority in the Bundesrat as a provincial representation. Koeppler and Biedenkopf were to be treated only as stand-ins for Strauss, as marginal characters for much more sinister machinations. In this respect, the SPD and CDU election campaign themes did not coincide at all. While the SPD wants to conduct a national campaign within the province, the CDU wants it to be a purely provincial election campaign. Any way you look at it, Koeppler's dropping out is causing the CDU great trouble in its province-oriented campaign concept.

9273

CSO: 3103

FRG-GDR RELATIONS SEEN AS VERY GOOD

Hamburg DER SPIEGEL in German 24 Mar 80 p 126-129

[Article: "Remarkably Good"]

[Excerpts] Chancellor Schmidt and SED-Chief Honecker want to meet at Tito's grave--contribution to cultivation of the German-German climate.

Yugoslavia has made all the preparations for the funeral of Marshal Josip Broz Tito, while he is still continuing his long struggle with death.

The German funeral guests have already reserved their quarters in Belgrade. In Bonn, in addition to the president and the chancellor, the minister of foreign affairs and the SPD chief are ready for the trip. In East Berlin, the chairman, State Council, and other prominent SED persons are planning to go.

Thus, at Tito's coffin, Helmut Schmidt and Erich Honecker will meet unawares. A confidant of the chancellor's said: "They certainly will not avoid each other."

For Schmidt and Honecker the funeral ceremony in Yugoslavia will be a welcome opportunity to cultivate German-German relations. They had reluctantly postponed their summit in the GDR, planned originally for February, because of the critical world situation following the Soviet invasion of Afghanistan. Both the chancellor and the SED chief are increasingly concerned about the growing tensions between the leaders of the blocs, the United States and the Soviet Union, and they fear that the FRG and the GDR will not escape "frostbite" (government spokesman Klaus Boelling).

As a consequence, it is of utmost importance that Germans in the East and in the West already consult one another about the time following the crisis. The prerequisites are there, 10 years after the meeting between Willy Brandt and Willi Stoph in Erfurt: A remarkably good relationship exists between Bonn and East Berlin, even after Afghanistan. Occasionally, the

demonstration of German-German understanding has progressed so far that declarations of solidarity for their friends in Moscow or Washington sound only like "lip service" to many alliance partners (a U.S. diplomat).

The politicians in East and West Germany know that there are limited to the efforts of preserving or even improving their relations in spite of the deteriorating international climate. "The two German states," Willy Brandt warns, "must not attach to each other more importance than actually exists." Thus, last Thursday in Parliament, Chancellor Schmidt expressed no more than hope that "the damage in Europe can be limited" and "confrontation on German soil" can be avoided. Bonn officials consider 24 May as the critical date for their German policy--the final day for registering for the Olympic Games in Moscow and a day on which Europeans will join the U.S. boycott.

Advisors to the chancellor fear that the freeze could be of some duration and even postpone the conclusion of a DM 500-million agreement, ready for signature, concerning improvements in the use of GDR highways.

At the present time, the GDR is still tempting the FRG with offers of cooperation. The idea for such economic advances came from Moscow's Foreign Minister Andrey Gromyko, who gave them to his East Berlin colleague, Oskar Fischer, at the end of February in the Kremlin. The singular goal: to make Bonn leave the path of Western solidarity.

Therefore, the FRG government will have to expect additional offers from the East that will put their bloc-loyalty to the test. Honecker's agents, for instance, are suggesting the possibility of lowering the age limit and--following the Polish example--travels to the West for GDR citizens according to a 3-year cycle, if West Germans, in turn, would represent their own interests "more independently" (SED-Chief Honecker) and even advocate a moratorium for the NATO resolution of rearmament.

To date, social-liberals have tried to dispel the idea that some day Bonn might play such a special role within the Western Alliance--but without success. Yet, in the meantime, some Alliance partners have doubts in this respect.

Only last Thursday, for instance, the chancellor had to alleviate the suspicion among those allies "who occasionally experience uneasiness because the question arises as to what is going on between the Germans."

Helmut Schmidt does not want to restrict himself to a meeting at Tito's grave. He is still planning to meet with the SPD chief in "Mecklenburg or somewhere else in the GDR" (Boelling). And that "as soon as possible"--at the latest in the fall, after the racket about the Olympic Games has subsided.

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CSO: 3103

FRG RELUCTANT TO APPLY ECONOMIC SANCTIONS TO USSR

Hamburg DER SPIEGEL in German 24 Mar 80 p 129-130

[Article: "No longer Valid"]

[Text] Washington is demanding new boycott actions against the Soviets. Bonn fears heavy losses for the German industry.

FRG Minister of Finance Hans Matthoefer warned his Japanese colleague, Noboru Takeshita, to be cautious: The German advised Takeshita against giving in to pressure from Washington which might result in "hasty economic sanctions" against the Soviets.

Publicly, FRG Chancellor Helmut Schmidt has stated for weeks that his government would support all actions against Moscow that are recommended by U.S. President Jimmy Carter because of the invasion of Afghanistan. The Western Alliance partners--these are the conditions of the chancellor--should only be willing to act together.

That is something which is not very likely. Partners like France are not going along anyway--and Bonn is secretly trying everything possible to prevent a postulated unity of the West.

They have good reasons, particularly economic ones. At any rate, in 1978 the Germans sold to the Soviets machinery and equipment valued at DM 2.6 billion--which is 26 times as much as the United States sold to the Soviet Union.

For countries like the FRG or Japan, that are highly dependent on exports, such a disruption in the trade with Moscow would result in severe financial losses. In addition, Chancellor Schmidt would like to cultivate the economic exchange with Moscow as an instrument of his *ostpolitik*.

The Foreign Ministry considers the trade with the Russians an "element with stabilizing effects" as well. Schmidt, as well as Hans-Dietrich Genscher, the minister of foreign affairs, believe that the export of chemical

installations and the import of natural gas are creating mutual dependencies, can stem the Soviet urge for expansion and strengthen Soviet adherence to treaties--for instance in matters concerning Berlin.

In January, the chancellor and his vice chancellor were still hoping that German trade with the East would be largely unaffected by the controversy between Moscow and Washington. They felt that they had persuaded Carter's emissaries, U.S. Undersecretary of State Warren Christopher and Secretary of State Richard Cooper to accept the German position.

The Americans were told by Bonn officials that a boycott must only apply to goods of direct strategic importance. The "basic trade," however, sale of steelworks, chemical factories or aluminum plants should remain unaffected by all embargo measures. The U.S. officials agreed.

Since Wednesday of last week their word is no longer valid. The Coordinating Committee for Export Controls (COCOM) in Paris, which, in accordance with a NATO resolution, is monitoring trade with the East bloc, received a comprehensive list of demands from the Americans.

To be sure, details of the U.S. wishes are not yet known on the Rhine, because the diplomatic courier between Paris and Bonn--for economic reasons--travels only on Tuesdays. But in the meantime some of it has leaked to Bonn and already caused alarm.

According to the American suggestions, in the future not only exports of direct military importance are to be banned. It is Carter's goal to use additional restrictions to keep the Soviets from expanding and modernizing their key industries.

But it is exactly this area where the German export industry has been operating successfully. Export to the East comprises 16 percent of the entire production of the machine-tool industry, 19 percent of installations produced and 6 percent for other machinery.

The Foreign Ministry concludes in an analysis that if the Americans are able to enforce their demands, it would strike "the key areas of German-Soviet economic cooperation."

The Americans are demanding, for instance, that the lax practice of making exceptions and issuing licenses, which in their opinion exists, be stopped immediately. To date it was merely a formality to get the approval of COCOM partners for the export of, for instance, an electronic control system for an aluminum plant, although the control system was on the list of banned items.

According to the Foreign Ministry analysis, Western and Japanese firms are "to be discouraged to participate in large-size projects in the Soviet

Union." Carter would like to prevent all business deals that exceed the value of \$100 million.

Above all, however, the Americans want to expand the COCOM list of banned items. The export of minicomputers, computer programs and of silicon, the raw material for microprocessors, is to be banned.

Officials in Bonn fear, however, that as a consequence industrial exports to the Soviet Union would reach zero: Without computer control systems, there is no longer even a simple machine tool left that can be sold to the Russians.

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PAPER POINTS OUT FOREIGN POLICY DIFFERENCES IN BONN

DW141254 Munich SUEDEDEUTSCHE ZEITUNG in German 12/13 Apr 80 p 4 DW

[Article by MES: "Dissension Within the Coalition"]

[Text] The difficult situation Bonn's foreign policy is in at present could not have been illustrated better than by the events of this week. Helmut Schmidt was on Easter vacation and during his absence the quarrel broke out again in the government coalition over which stance the Federal Republic should take on the Iran crisis. Post facto one would wish that Schmidt had taken part in the recent cabinet meeting and had exercised his influence for a well balanced Bonn attitude.

Undoubtedly there is dissension about the present foreign policy course between the foreign minister, on the one hand, and leading SPD politicians, on the other. This became clear on the question of how Bonn should react to the Soviet occupation of Afghanistan. It has become even clearer now that the Americans have demanded the practical support for their policy of sanctions against Iran. With Genscher the pragmatic and even tactical motives may wield more weight, causing him to make 150 percent pledges of loyalty to the Americans. But he also seems to be motivated more strongly than others by the conviction that the Federal Republic cannot afford to do anything, with one exception: softening the German-U.S. ties and the security partnership involved.

The attitude in principle of leading SPD politicians, primarily Wehner and Brandt, is evidently characterized much more strongly by the fear that the relationship of the Federal Republic with its Eastern neighbors might be permanently affected. Both schools of thought are right with their misgivings that the vital German interests will be harmed the longer the crisis between the big powers lasts. This dilemma confronts the proponents of a well balanced Bonn West-East policy with almost insoluble problems.

CSO: 3103

CONGRESS, PROGRAM OF GREEN PARTY VIEWED

Zurich NEUE ZUERCHER ZEITUNG in German 25 Mar 80 p 1

[Article by R.M.: "Party Program of 'Greens': Gruhl's Reservations"]

[Text] Bonn, 23 March--Following their sensational success a week ago in the Baden-Wuerttemberg Landtag, this weekend the environmental protection party of the "Greens" is again making headlines in German domestic policy. The occasion is the 2-day party rally in Saarbruecken, during which the "Greens" adopted for the first time a comprehensive program as a national party which, against expectations, leans heavily toward left and left-utopian trends.

The party rally of Saarbruecken had become a necessity after the failure 2 months ago by the "Greens" to elect a regular executive committee and adopt a program during their meeting in Karlsruhe, which was characterized by extensive, chaotic discussions between "pure" ecologists and "red" alternates from the extreme left. The "Green" election success in Baden-Wuerttemberg seemed to lend wings to the otherwise moderate tendencies within the heterogeneous environmental movement, because the "Greens" had gathered under the leadership of former SPD-member Dieter Hasenclever and repudiated followers on the extreme left.

Nevertheless, the left wing succeeded in Saarbruecken to clearly impose its own identity on many items of the party program of the "Greens." For that reason, Herbert Gruhl, CDU Bundestag delegate, who is one of the founding fathers of the new movement and a recognized expert on ecology, declared on Sunday afternoon that he could not support a number of items of the adopted program and, consequently, he was withdrawing his name as a candidate for the executive committee of the party. This withdrawal is a blow that is of more than little significance, because Gruhl is one of the few leading personalities within the widely scattered "Green" spectrum who is known outside his own region and who also represents "value conservatism," an element which has attraction for many middle-class voters as well. It remains to be seen whether Gruhl's refusal of a seat in the executive committee of the party is already a signal of withdrawal from the party which has just been founded. The possibility cannot be dismissed that soon there may be a split in the alternative movement which to date has been amazingly successful.

Demand for Unilateral Disarmament

During the Saarbruecken party-program rally decidedly left and left-utopian concepts scored victories, particularly in those chapters that deal with foreign and economic policies. In foreign policy, for instance, the somewhat starry-eyed demand for unilateral disarmament in the FRG was placed in a position of central significance. In addition, there are plans to "begin immediately with the dissolution of military blocs, above all those of NATO and the Warsaw Pact." In particular, however, the econopolitical points of the program seemed to have induced Gruhl to decline a seat on the new executive committee of the party. In this section, among other things, the demand is made "to divide large concerns into manageable enterprises to be administered by the workers themselves." Another demand is the immediate introduction of the 35-hour week, retaining the full current pay as well as an unlimited right to strike. Gruhl said in Saarbruecken that such radical demands could not be used to mobilize new voters for the "Green" movement.

Nervousness in Government Camp

If this pessimistic prophecy should come true, it would remove a few worries from the social-liberal coalition government in Bonn, particularly from the SPD. For the time being, however, the nervousness in this camp is still growing about the possible influence of the "Greens" on the Bundestag election result this fall. An indication of this, among other things, is the drastic language of SPD National Manager Bahr, who declared last weekend that voter participation by the "Greens" has of late been of benefit to Strauss, a candidate for the chancellorship, and, thus, they are playing the role "which another person called the formula of useful idiots."

Strauss, on the other hand, who indeed considers the appearance of the "Greens" an occasion providing election-tactical hopes, recently spoke unusually benevolently about the new phenomenon. He let it be known that, in principle, he was not opposed to a coalition between the CDU/CSU and the "Greens," if the alternative movement should succeed in taking the 5-percent hurdle in the Bundestag. In spite of "profound differences of opinion," particularly on questions of nuclear power, as far as the Union is concerned, the "Greens" are not standing "on the other side of the Rubicon," in contrast to the German Communist Party and the National Democratic Party of Germany. This was the opinion expressed by the Bavarian candidate for the chancellorship.

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LEADERS OF 'GREENS' DIFFER ON POSSIBLE COALITION PARTNERS

Frankfurt FRANKFURTER ALLGEMEINE in German 28 Mar 80 p 2

[Article: "'After Every Election We Celebrate the Resurrection'--The 'Greens' and the Coalition Question / Schmidt or Straub?"]

[Text] Bonn, 27 March--The Greens are not "totally certain" of being able to hurdle the 5-percent barrier in the federal elections. They say there is a "clear movement" among the people for carrying them into Parliament. The chairman of the Greens, who was elected last weekend at the party conference in Saarbruecken and met with a group of journalists in Bonn, expressed this optimistic point of view on Thursday. But whether the new group would take part in the elections on 5 October still has to be decided by the next country-wide congress in June. August Haussleiter, one of the party chairmen, depicted such a participation as "highly probable."

Responding to a question as to whether the Greens might enter into a coalition in the Bundestag, Petra Kelly, the second party board member, said that in principle no party is acceptable to her group for forming a coalition. This applies mainly to the CDU/CSU with its candidate for chancellor Strauss, who was called a "protagonist of armaments and atomic policies." Haussleiter said that if the Greens had to make a decision between having Schmidt or Strauss as chancellor, then they would ultimately opt for Schmidt--even with all the complaints they have about him and the SPD. Petra Kelly modified this: "I as a woman have difficulties with both of them." Ms Kelly had just finished attacking the SPD's policy towards women and felt the Social Democrats only see women as a means for the "production of cannon fodder." The chairman of the Greens criticized the SPD for stamping the Greens "as the Number 1 Enemy of the People."

Haussleiter, analyzing the party conference in Saarbruecken, said: "After every congress we have held, political obituaries were issued and after each election we celebrate the resurrection." As he put it, "antirepressive youth," wanting to live a different type of life, have found their place with the Greens. Despite all the confrontations in Saarbruecken, Haussleiter described his party as very unified. Petra Kelly said that the Greens have to expose the bad conscience of the other parties. Mann, the third party board chairman, said that if there is interest in pursuing a consistent peace policy, then the social demands of the Greens could be financed.

DKP MEMBER'S RIGHT TO RETAIN GOVERNMENT POSITION UPHELD

Frankfurt FRANKFURTER ALLGEMEINE in German 29 Mar 80 pp 1, 2

[Text] Frankfurt, 28 March--The third chamber of the Federal Disciplinary Court headed by Judge Schmachtenberg acquitted the Technical Communications official Peter of the charge that his active membership in the DKP constituted a disciplinary offense. In the proceedings against Peter beginning on Monday, the representative of the Federal Disciplinary Attorney requested to remove Peter from public office because of an infraction of the civil servant's political loyalty, that is the commitment to support the free democratic basic structure at all times actively, yet the suit contained terms for continued financial support. The defense--an attorney from Duesseldorf and one from Stuttgart--submitted a motion for acquittal.

As the decision was read acquitting Peter, applause broke out in the court's visitor section--the room was largely filled with sympathizers of the DKP--whereupon the presiding judge said that perhaps "contrary emotions" might be experienced at the end of the reading; he announced that in the case of additional outbreaks, "then you must leave." Indeed, the decision cannot be viewed as causing pure satisfaction within the DKP and among its friends. The arguments--Judge Schmachtenberg spent about an hour reading them out in detail--primarily declared the objectives of the DKP as "incompatible with the free democratic basic structure." Secondly, the court--contrary to the motions of the defense--adhered to the interpretation of the Federal Constitutional Court, laid down in its decision of 22 May 1975, that the loyalty of civil servants has priority in the rank ordering of the constitution and priority over the "party privilege" of the Basic Law. That means: membership and active participation of a civil servant or an applicant to a civil service post can be viewed as disqualifying even if the party concerned is (still) not prohibited. Thirdly, the court did "not yet" see a relevant infraction of duty, from a disciplinary point of view, in the case of "purely inactive membership" of a civil servant in the DKP. But these limits would be transgressed "if a civil servant was politically active for the DKP by distributing party literature, assuming a party post or by campaigning for the DKP."

The court found all these points substantiated in Peter's case; during the proceedings, when he admitted for the first time that he was a member of the DKP, he did not dispute these contentions. But the court still decided upon an acquittal (the costs for the proceedings will be borne by the FRG) because it assumed a type of "erroneous prohibition." Until the summer of 1975--when the radicals decree was announced by the Federal Constitutional Court--Peter was able to assume that the party privilege would protect his activities in the DKP from any possible disciplinary proceedings. For the period thereafter--which applies to Peter's election to the district revision commission of Stuttgart of the DKP and to his candidacy for the community election which should have taken place in October, 1979 and now will occur on 22 June--Peter can be excused subjectively because the objective contrariety to duty of his behavior was not generally recognizable; even Peter's highest ranking superiors (primarily the federal minister for postal affairs, Gscheidle) would not have viewed this as an infraction of official duties for the legal interpretation is not uniform. The court went on to say that there is no clear, judicial regulation. Peter "knew he would be tolerated" wrote Judge Schachtenberg in the arguments for the decision.

For the appeal at the Federal Administrative Court, which will assuredly be submitted by the federal disciplinary attorney, the following reasoning of the decision in Frankfurt could be very important: "Inasmuch as a civil servant now still errs about the compatibility of the objectives of the DKP with the free democratic basic structure, what is involved is an avoidable error which cannot be excused."

The Federal Disciplinary Court, in an interpretation which differs from that of the majority of the higher administrative courts, does not view simple membership in the DKP automatically as an infraction of duties--transgressing the threshold to a disciplinary offense; the court here based its reasoning on the Federal Constitutional Court which does not view simply "having" a political conviction contrary to the constitution as contrary to loyalty and duty. The Federal Disciplinary Court also drew its support from the Federal Constitutional Court in drawing a qualitative distinction between entering the civil service and infringing one's duties in that service: before entering the civil service a thorough review should be made as to whether the civil servant will commit himself to the free democratic basic structure at all times; if he is a life-long civil servant then an infringement of duties has to be proven to him as being important and relevant. Thereby the court turned against the opinion shared by politicians in the SPD and FDP that one does not have to look too closely when someone is hired (motto: getting rid of standard interrogation by the security agents) and it will not lead to any damage because one can always remove a civil servant at any time if he acts in an unconstitutional way.

The court accepted the contention that Peter had been a member of the DKP since the beginning of 1969. Peter himself admitted the activities he was

charged with--responsible editor of a party newspaper, candidacy in 1972, 1975 and again in 1979/1980. The court's assumption that the DKP is unconstitutional was based on the "consistent legal interpretation of the higher administrative courts, the Federal Administrative Court and the Federal Constitutional Court. The court weighed the currently effective DKP program of 1978 along criteria set up by the Federal Constitutional Court in 1952 in its SRP judgment, which listed what "at least" belonged to the core of the constitution for a free democratic basic structure. It made no distinction between the present DKP formulation of "dominance of the working classes" and its former "dictatorship of the proletariat." Even the new concepts of the DKP as presented by Peter on the form of the political struggle were termed "time-related" by the court.

The court also found it important that the DKP practices absolute support of the political conditions in the Soviet Union and in the GDR. The party is not prepared to respect the rights of minorities, claimed the court; political enemies are defamed as "exploiters" and "monopoly capitalists." For the court, the DKP program is a reliable source of information for explanations presented by Peter and his defense in the main proceedings--this basically concerned Peter's attempts to portray personally the goals of the DKP as concurring with those of the free democratic basic structure.

One of the visitors to the court termed the decision as "reactionary" after the decision was read out in full--once the written text is released, both Peter and the federal disciplinary attorney can submit an appeal to the Federal Administrative Court within a period of 3 days. The same person handed out a copy of the Basic Law to the court (composed of two judges and three laymen). "You should read it once for yourself," said presiding Judge Schmachtenberg off the record as he accepted the document. The Education and Science Union released a statement in which the words "ban on practicing one's profession" and "snooping" were mentioned, also saying that outside activities in any party--that also means in one which is considered unconstitutional--also concerns activities in the party or campaigning to enter parliament and "should not provide any basis under any circumstances for rejecting an applicant." (Court File Number of the decision of the Federal Disciplinary Court: III VL 4/79).

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ECONOMIST ANALYZES BALANCE OF PAYMENTS DEFICIT

Duesseldorf WIRTSCHAFTSWOCHE in German 14 Mar 80 p 13

[Article by Prof Dr Norbert Walter, director of the Department of Economic Output and World Economics of the Institute for World Economics at the University of Kiel: "A German Trauma"]

[Text] "Everybody is talking about the balance of payments--except us," was the motto for Germans during the 1970's. If we had a problem, it was one of hiding big surpluses from the others. The situation remained the same for the FRG even after the first oil price explosion--in fact, it was actually followed by a record surplus.

Since the turn of the year 1978/1979, however, this world has gone awry: Instead of a surplus of DM 18 billion for 1978, last year we managed to accumulate a deficit of DM 9 billion. Because of it the self-esteem of many Germans has apparently been severely shattered.

What did happen? A relatively strong boom in the FRG in combination with the rise in oil prices and--stimulated by these two factors--massive investments in inventories inflated import figures.

How can this development be criticized? Was it wrong to fill oil storage facilities in 1979--with relatively inexpensive oil? Should we Germans have taken fewer trips abroad in 1979? Should we have controlled imports? The answer to all of these questions is: no. If there is anything that should be criticized, it should not be individual decisions which brought about recent balance of payments deficit, but the economic policy which in 1979 led to a sharp rise in demand. This, however, should not be interpreted as an agreement with those who think that the balance of payments deficit and the weakness of the German mark should be fought with a policy of massive restrictions. Such a cure would correspond to prescribing blood-pressure medication after the consumption of excessive amounts of coffee. It would be better--because of no harmful side-effects--to wait until the caffeine has been reduced.

While the policy of restriction, in effect since the beginning of 1979, will slow down the heated FRG economy, the second factor for the negative

balance of payments--the increase in the price of oil--will probably remain. To be sure, it is expected that the price increase and the slowdown of the economy will result in a significant reduction in the consumption of oil--compared to last year, the amount of imported oil in 1980 should go down by 7 percent--but prices in 1980 should again average much higher than they were in 1979. Thus, the oil bill in 1980 might again rise by at least DM 10 billion.

What can be done? Should oil imports be controlled? Should the reduction in energy consumption be regulated by the government? Or should monetary brakes be applied in such a manner that the entire demand will be reduced to a point where imports are no higher than exports?

Such reactions would be the wrong ones. After all, even today the economic goal is not to conserve oil or to balance the payments but to increase prosperity. The best way to accomplish this is by increasing the "problem-solving capacity." This, in turn, is more easily done in a growing economy than in a shrinking one. The problem can be solved only through big investments, which will make today's rarest factors less rare. Why, then, should the policy of growth not be continued, if needs be by consuming more oil on a temporary basis and simultaneously putting up with balance of payments deficits, by raising capital on international credit markets to finance those investments that are necessary for energy conservation and for the production of new, less energy-intensive products and the replacement of current energy sources? If the FRG does not do this, other countries will be the ones to master the future.

In 1980, the balance of payments will probably conclude with a deficit of more than DM 20 billion. The year began with a deficit which had already reached a new record. "Bad news" of this kind will accompany us for some time to come. Until the recession arrives, until raw material markets experience a slowdown, deficits will not be reduced. In view of the political instability and the intention of oil producers to reduce production and considering the low demand expected worldwide among industrial nations, the FRG cannot count on a surplus in the balance of payments for 1981 either.

Such prospects should not be used to support the German attitude of "tightening the belt." Fat and lazy people do not really lose weight by "tightening their belts." Instead, physical exercise should be tried. As a result, in most instances the tighter belt will fit without causing discomfort.

What is the meaning of this for the economic policy? It implies an offensive promotion of growth by reducing antiproduktive taxes, reevaluating structure-preserving subsidies and avoiding administrative interferences in investments instead of bureaucratic policies and regulations calling for conservation and slowdown.

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CSO: 3103

MEASURES IN WEST BERLIN PLANNED TO INTEGRATE FOREIGNERS

Frankfurt/Main FRANKFURTER RUNDSCHAU in German 20 Mar 80 p 4

[Article by itz: "Berlin Plans Comprehensive Measures for Full Integration of 210,000 Foreigners"]

[Text] Berlin, 19 March--On Wednesday, Governing Mayor Dietrich Stobbe presented to the press "guidelines" and new "measures for the integration of foreigners in Berlin" passed by the Senat. The package, which includes all areas of efforts for integration, has been coordinated with the Bonn cabinet, which discussed policies concerning foreigners on the same day as well.

Stobbe pointed to the fact that with these decisions the Senat had embarked on a long, difficult and obstacle-ridden path, because the policy of integrating foreigners was a task for generations. The resolutions, however, were pointing the way, which was better than putting one's head in the sand and letting things slide.

The intention is to treat approximately 210,000 foreigners, or 10 percent of West Berlin's population--primarily 100,000 Turks who represent the largest contingent--not as "guest workers" but to make them "fellow citizens." The 26-page Senat paper states that these measures are to contribute to the guarantee of domestic peace for all Berliners. Many accomplishments of municipal policies, for instance compensations favoring sections in the inner city, the improvement of available housing, the city image, school reform or labor-market policies are jeopardized if efforts failed to guarantee permanent coexistence with few conflicts and equal opportunities for Germans and foreigners.

Stobbe emphasized the fact that this policy was in the interest of all Berliners, since legislators and administrators could only lend assistance and that the actual work would have to be done by all Berliners.

In this connection, Stobbe praised the cooperation of the Church. Recently, Martin Kruse, Berlin's Protestant bishop, had handed to Stobbe an 18-page position paper, containing criticism and suggestions for a policy concerning

foreigners, and given the assurance that the Church would support all Senat efforts that would serve the promotion of domestic peace in the city.

Among the measures is a stronger support for promoting the education of young foreigners. In this respect, Stobbe is criticizing the economy, which, on one hand, is still calling for foreign laborers but, on the other hand, does not want to be responsible for the social consequences, for instance, providing educational opportunities for foreign young people. Foreign youths should also be admitted to public service opportunities, as long as they meet the respective requirements. Peter Ulrich, senator for the interior, stated that this applies to the police as well. In Ulrich's opinion, German citizenship is not necessary for training; upon hiring, however, the person must apply for it.

Additional measures are calling for a relaxation of entry bans into districts with large numbers of foreigners; furthermore, a reduction to 2 years of the waiting period for work permits for marriage partners who arrive later. Young people are to have a legal right to acquiring citizenship, and immigration procedures are to be accelerated. In addition, municipal and public housing authorities are to award to foreigners 10 percent of all the apartments that will be vacant in the future.

Since constitutional restrictions do not permit foreigners to vote in municipal elections at this time, foreigners are to work with Germans on an equal basis, as citizen deputies, in committee meetings of bezirk deputies. The idea of a central Turkish culture center was abandoned in favor of a decentralization of cultural projects. To better promote public education for foreign children--12 percent of approximately 210,000 school-children are foreigners--school attendance should, if possible, be lowered, beginning with 1981, wherever there are many foreigners. According to a statement by Senator for School Affairs Rasch, in Turkey alone there are still approximately 15,000 children whose relatives are living in Berlin; it is expected that approximately 3,000 will be sent for annually.

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CSO: 3103

SAUDI ARABIA MAY AID DESSAULT-BREGUET FINANCIALLY

Paris LE MONDE in French 18 Mar 80 p 48

[Text] Kuwait (AFP)--Saudi Arabia has allegedly decided to pay \$1.5 billion (approximately 6.45 billion francs) to the private group, Dassault-Breguet, to build the new Mirage 4000 combat aircraft, alleges the Kuwaiti daily, AL QABAS, of Sunday, 16 March. Citing some "American sources" a news item from Washington, the newspaper adds that "the Saudi Government allegedly made this decision to resume the Mirage 4000 project, abandoned for lack of capital."

On the other hand, AL QABAS states that relations between Saudi Arabia and France have strengthened considerably, essentially in the military field, since the visit in March of the president of the French Republic, Mr Valery Giscard d'Estaing, to the Persian Gulf and the declarations of Paris on the Palestinian problem.

Actually, the Mirage 4000 project has not been abandoned, inasmuch as the prototype has, to date, logged over a hundred hours of test flights since its maiden flight a year ago. But the funding for this program, destined essentially for export, is for the moment the result of a voluntary effort by the French engineer, who estimates at approximately 6 billion francs the cost of expenses to be authorized until the final touches are made to the aircraft, including the costs of industrialization.

Saudi Arabia, which has already bought some American F-5 and F-15 aircraft, has never covered up its potential interest in the twin-jet of air superiority, the Mirage 4000, to round out its combat forces. If Riyadh decided to share the development costs for this aircraft, it would nevertheless have to obtain the concurrence of Paris, but it is known that, during his recent trip to the Mideast, Mr Giscard d'Estaing had emphasized how attentive France was to maintaining security in this area.

To date Dassault-Breguet has received no financial contribution from Saudi Arabia for studies on the Mirage 4000.

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CSO: 3100

SAINT GOBIN'S JUMP INTO COMPUTER TECHNOLOGY VIEWED

Paris L'EXPANSION in French Dec 79 pp 94-97

[Article by Francois de Witt: "Redeployment Is an Adventure"]

[Text] The name of Saint-Gobin-Pont-a-Mousson (SGPM) does not guarantee success in entering the field of computer technology.

In December 1978, SGPM announced its intention to build a microprocessor plant in collaboration with the American group National Semiconductor (NSC). This diversification was unexpected to say the least. In May 1979 the group's president, Roger Martin, confirmed that he was interested in the prospects of CII-Honeywell-Bull (CII-HB). This time the news had a dramatic effect: it was unheard-of on either side of the Atlantic for electronics and computer technology to figure in the portfolio of a manufacturer of cast-iron pipes, windowpanes, fiberglass, and cardboard products! While the "heavyweights" of French industry such as Rhone-Poulenc, Pechiney Ugine Kuhlmann, or Empain-Schneider are making do or cutting back, Roger Martin and his staff have taken the great leap forward.

There is only one precedent that comes to mind: the merger of BSN (expansion unknown) and Gervais-Danone. "A good example of diversification", according to those in favor, and "a good chance for bankruptcy", according to skeptics. What has SGPM undertaken?

This question was answered by Roger Fauroux, who will succeed Roger Martin this year, and who has a warm smile, melodious speech, and the debonair attitude of a humanist: "The group's current industries are no longer viable. They tend to eliminate jobs. All of this leads to demoralization of personnel. To maintain the will to fight, initiative is needed. It is better to be a challenger, with a knife between your teeth, than the leader in a market which is no longer growing."

Good Businesses not for Sale

As early as 1975 and 1976, SGPM was devoting attention to diversification prospects. While many studies were conducted, it was agreed that no initiatives would be taken as long as there was a threat of nationalization. Roger Fauroux admitted: "We did a lot of studying and a lot of thinking." The first activities to be ruled out were those which were not in keeping with the inclinations of the group's personalities. He said that in his judgment, "cast iron does have more in common with computer technology than with catering or leisure activities", adding: "I would not know the difference between a resort director and a beachlover, but I do know how to hire a good computer technician."

Among industrial type activities which appeared compatible were fine chemistry-- but there were no opportunities available, especially in the United States -- and biochemistry, but Mr Fauroux feels that it is in its infancy and must be approached with venture capital. Prospects for new forms of energy, and more particularly solar furnaces, did not strike him as earth-shattering (the group is already engaged in this field of activity); this left the vast area of electronics and computer technology, where the group focused its attention. The field offered major growth, exceptional innovation potential, and therefore, opportunities to be seized, even now at the end of the 1970's.

Originally, SGPM wanted to purchase an American firm, but had to abandon this idea because of the price (250 to 500 million dollars.) Furthermore, Mr Fauroux pointed out, "good businesses were not for sale." However, two opportunities arose in 1978, and chance also played a part. At the end of a gathering of Polytechnique graduates, Jean-Pierre Souviron, who was then director of industrial and international affairs for the PTT state secretariat, approached his friend Francis Mer, general director of Saint-Gobin Industries. He suggested that the group might take a share of the 600 million francs subsidy which the state was planning to allocate as a feature of the Components Plan.

This idea appealed to Mr Mer who imparted it to Mr Fauroux. The latter saw, in this production enterprise for electronic components, both a way to gain entry on favorable terms into a promising field, and the possibility of accomplishing the social mission of his enterprise. Whereas fat was being trimmed in the wood, glass, plumbing fixture, and other industries, the electronics field would be able to claim credit for creating 900 new jobs. But SGPM needed a partner, preferably American because the Japanese were ruled out at the outset as being too "different." After fruitless discussions with Mostek and Intel, the Eurotechnic 51 percent-49 percent affiliate was finally formed with NSC. French electronics experts, bound to resent the presence of SGPM in the field, disloyally said that "the American leaders in electronics did not take them seriously." In fact it may simply be too bad that the thriving

American enterprise, which has just acquired the Intel computer manufacturing firm, did not accept the entry of the French group into its capital.

But the big opportunity came at the end of the first quarter of 1979, in connection with the future of CII-HB, the leading European computer manufacturer. At the dawn of the computer age, the state, holding 20 percent of shares in the Bull machine company (itself holding a 53 percent majority in CII-HB), wished to consolidate the growth of an enterprise which was subsidized until 1978 and 47 percent of whose capital was held by Honeywell, an American company. Officials of the Ministry of Industry then turned to their industrial associate, the CGE (expansion unknown), led by Ambroise Roux, to determine whether or not it was ready to proceed with financing of the ambitious CII-HB 5-year plan. CGE leaders, (justifiably fearing competition from CII-HB against their CIT-Alcatel affiliate in the minicomputer field, and not very fond of President Jean-Pierre Brule's "cavalry commander" style), gave an evasive answer which was equated with a refusal.

CII-HB therefore sought partnerships elsewhere. The logical place was with the only French group of international scope interested in assuming the risks of diversification in computer technology. SGPM entered the picture on 24 September, through the stock exchange, by acquisition of the 20 percent of Bull shares held by CGE for 255 million francs. Mr Fauroux gladly acknowledged that "the government chose us as the French champions in the presence of the Americans in a reorganized CII-HB." He went on to say: "Our ambition is to play a significant part in the enterprise. In addition, the operation is compatible with our vocation. We are capable only of managing large units. In a few years, computer technology should account for 20 percent of our total business volume."

A Theoretically Attractive and Comforting Analysis

So much for history. On paper, it is superb: a new field with major growth, enjoying guaranteed government support, makes itself available to the energy and imagination of an enterprise reputed for its responsible management. Very well. But let us see if this analysis, which is so attractive and psychologically reassuring in theory, can withstand the facts.

Two major questions inevitably arise: does SGPM have the financial and human resources for its new function? And secondly, does not this venture into a totally unknown sector entail dangers for a group which is more vulnerable than it seems?

The two new industrial files are as wide apart as would be the acquisition of a ball-bearing manufacturer and the taking over of an automobile maker.

Let us look first at Eurotechnic. This is an enterprise whose cost (50 million francs at this time) should not ultimately exceed a few hundred million francs. For NSC, the operation is very attractive: the company is forcing its way upon the French market while charging very dearly for its technological assistance -- 250 million francs. If all goes well, the American party will cash in 49 percent of dividends. If not, it can lock up its patents and return home with them, while the partner cannot oppose this (it must not be forgotten that SGPM was not able to secure participation in NSC.) This is an ideal situation, characterized by the "vassalization" of the French partner.

Symbolic Profit

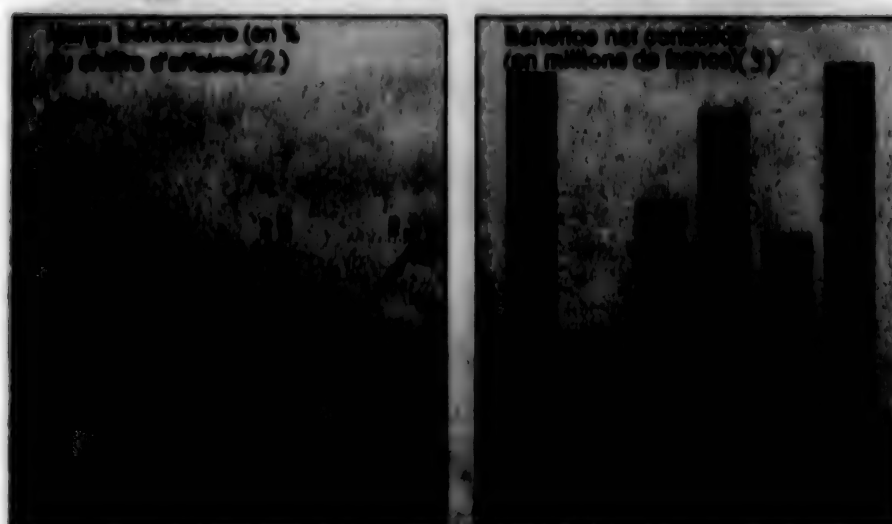
In this connection, Mr Fauroux asserts that "we are assured of deriving benefit from the latest NSC discoveries for 10 years. But, during 5 years, we will limit ourselves to faithful copy." It is hoped that subsequently, the creativity of French researchers (helped in this case by researchers from the National Center for Telecommunications Studies) will make it possible to dispense with American tutelage. Time will tell whether this is a devout wish or a reasonable speculation. In view of the difficulties of such groups as Thomson, Philips, or Siemens in securing a place in the perpetually fermenting world of semiconductors, skepticism is permissible. For example, as a precedent, Corning Glass acquired Signetics in the 1960's. Due to lack of synergy, or of compatibility, the business was resold to Philips in 1975. To be sure, the Eurotechnic operation will not be such a great expense for SGPM, but this is not enough to justify it!

One danger at least will be avoided: the swallowing of the small unit by the large group, a phenomenon which SGPM leaders have been able to observe on several occasions. Francis Mer, director of industrial policy, specified that "Eurotechnic will be an autonomous affiliate. The company will not be supervised by a personnel department but rather, directly by our board of directors. It will not have to follow routine procedures within the group." As if to confirm this orientation, Alain Grandclement has been enticed: he is the dynamic engineer from Motorola, and founder of Occidentale Electronique (electronic toys.)

While the forming of Eurotechnic is more akin to an offering at the altar of employment than a major diversification, this is not so in the case of joining with CII-HB. Is this the right choice? For public officials, and for Jean-Pierre Brule, no doubt is possible. An aggressive partner, with the ambition of "naturalizing" the jewel of our computer technology, is taking the place of a somewhat recalcitrant partner. But what about SGMP?

The industrial flaws of CII-HB are well-known (though it did manage to show a symbolic profit last year): relatively modest scope (11 percent of the European market); non-integration of electronic components; lack of top-of-the-line models; association with an American partner whose withdrawal from the field is regularly forecast by Wall Street brokers. Is it in the interest of a newcomer to join the challenger of almighty IBM?

(1) **LE TEMPS DES GROS PROFITS EST PASSÉ**



Key:

1. The Era of Large Profits Is Past
2. Profit margin (percent of business volume)
3. Net consolidated profit (in million francs)
4. (e) Estimated

The SGPM profit margin (at left) is small, and this year, profits will barely exceed those for 1974. Does the group have available the resources necessary to finance the purchase, and later to bring about the international rise, of CII-HB?

To be sure, it is not utterly senseless to take a risk on computer technology at this time. In spite of its shortcomings, CII-HB has some very good assets, such as small operating computers, text editing, and magnetic cards. But is it reasonable to venture into a field about which you know absolutely nothing, and while additionally burdened with a reputation for being a firm with cumbersome and rigid procedures? Mr Fauroux considers that his concern is essentially a management mechanism. "We know how to show decent profits with slow growth", he asserts. In fact, his group's recent difficulties in certain areas such as plate glass, paper, or steel products, its apathy during the pre-election period, and the demobilization observed at certain levels of management, all lead to the modification of this judgment.

However, entry into the CII-HB board of directors by the side entrance (which is the one through which CGE left) will enable Mr Fauroux to observe the enterprise from within. This is an opportunity which is rarely offered to a re-purchaser, and one which constitutes a reply to the remark made by an American consultant: "Did they screen the outfit very care-

fully? Before making such a joint commitment, it is essential to perform a rigorous analysis." In any case, 255 million francs will buy the right to see if there are any skeletons in the closet, and to measure the cost of an eventual -- and inevitable -- withdrawal on the part of Honeywell. This is a delicate matter: CII-HB must make sure that it obtains the collaboration of Honeywell, which is essential at this time, without hampering its own ambitions. For example, Honeywell is preventing CII-HB from conducting aggressive policies in certain European countries, and -- as SGPM leaders are aware -- its de-facto powers greatly exceed those of a minority shareholder. There is no doubt that prolonged and probably costly negotiations will take place in the near future.

A crucial problem will then arise: Will Mr Fauroux' staff have the means to ensure CII-HB's rise to power? There has been much talk about the group's "war chest" (1.5 billion francs). This fund exists, just as certain real-estate or industrial assets can be cashed in. But these two elements are both interdependent and finite. Asset transfers already amounted to 2.3 billion between 1974 and 1978: not much more can be done without upsetting the group's industrial portfolio.

In the final analysis, the quality of this portfolio will be what decides the success or failure of the operation. In order to analyze the portfolio, we may have a look at the strategy followed by the Boston Consulting Group, notable competitor of the McKinsey and Arthur D. Little offices, and which has conquered French industrial circles within a few years. In the opinion of the Boston consultants, an industrial portfolio is composed of four types of activity: "deadweights", "milk cows", "star performers", and "dilemmas." The first type, as its name implies, hampers overall growth since it uses more than it contributes. The same thing applies to the stars, as the financing of their large growth is a drain on the total. The dilemmas represent a small share of the market, with large growth: they will rapidly become either stars or deadweights. Everything thus depends on the milk cows, securely positioned in small growth markets.

In Search of a Sector

It is easy to see how this is relevant to SGPM. The star is now CII-HB, whose cash flow is yet insufficient to finance enormous requirements: one billion francs for research, and 500 to 700 million francs investment per year. But the net SGPM profit will barely exceed 700 million francs this year.

The milk cows expected to feed CII-HB will not be found in the cardboard products branch (pine cellulose, Condat), an undeniable deadweight representing 7 percent of the group's consolidated sales (but can it be eliminated? And in any case would there be any takers?). Nor will they be found in packaging (bottle glass, domestic glassware -- 9 percent of sales) or at least not among French activities in this branch. As for

the enterprise division (Socea, Balency-Briard -- 12 percent of sales), it is subject to the vagaries of orders and contract fulfilment. Fibers (fiberlass, insulation material) represent 17 percent of sales, but in spite of their success, they are still consuming capital.

If marginal sectors are excluded, we are left with basic activities, in other words cast-iron pipes and plate glass. Mr Mer is convinced that this is where he will find the indispensable milk cows: he stated that "since the beginning of the 1960's, we have been converting our plate glass production facility. With a stable market -- 1 to 2 percent growth per year -- and if the trade is well managed, we should have a cash flow available after meeting maintenance costs." The 1979 performance confirms this. But it must be remembered that glass has become a common product, without brand names, and easy to manufacture anywhere, particularly beyond the Iron Curtain. In certain countries such as Denmark, France, or Italy, production capacity remains excessive. SGPM made some major strategic errors in Scandinavia, notably with double panes. In addition, BSN, now relieved of its European affiliates, is preparing for some free-lance activities! Short of a hypothetical upswing in construction, Mr Mer will not find it easy to derive an excess cash flow from this direction.

Therefore, CII-HB growth financing does not appear as certain as claimed. Of course there is the state, with 20 percent of Bull machinery capital. Its assistance may prove very handy, and SGPM's reluctance to re-purchase its participation is understandable.

In addition to uncertainties about financing and operations, there is uncertainty about personalities. Will Mr Fauroux get along with Mr Brule? A prominent financier in the area unhesitatingly stated that "the success or failure of the operation will depend on the answer to this question." For the time being, harmony reigns supreme. But for how long? SGPM leaders have a reputation for delegating a great deal of responsibility, while maintaining powerful channels of communication between young branch managers and the senior staff at headquarters. Only the test of time will reveal whether the fearless boss at CII-HB will accept certain constraints exerted by men who may be excellent managers but who, until proof to the contrary, know nothing about computer technology.

The Logic of Major Maneuvers

Diversification of activities was the password in industry during the period of rapid growth of the 1960's. On the other side of the Atlantic there appeared financial conglomerates, while here, large groups expanded their portfolios to the limits of their traditional activities. We saw Ugine steel become associated with Kuhlmann dyes, and the subsequent merger of both with Pechiney aluminum. We saw CSF (General Radio Company) radar integrate with Thomson television. And in the end, the Pont-a-Mousson cast-iron pipes checkmated the bold merger project between BSN and Saint-Gobain.

These major maneuvers have not always appeared to follow very firm industrial logic. If experience seems to prove that they succeeded, it has often been because growth was there to disguise certain strategic errors. In 1979, the risks of diversification are of a very different nature: given the relative fragility of groups, any error in the conduct of affairs will have heavy consequences.

This is the risk being taken by Mr Fauroux' men as they throw themselves unreservedly into a new activity which is full of promise. In any case they are demonstrating an old biological law: men cannot live without growth.

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CSD: 3100

PAPANDREOU ADDRESSES PASOK COMMITTEES ON PARTY POLICIES

AT151045 Athens ELEVTHEROTYPIA in Greek 14 Apr 80 p 16 AT

[Report on address by PASOK chairman Andreas Papandreou to the party's nomarchy committees on 13 April 1980]

[Excerpts] If PASOK were in power as the government it would belong to the movement of the nonaligned countries. This was declared yesterday by PASOK chairman A. Papandreou to the meeting of the party's nomarchy committees.

In his speech, Papandreou clearly defined the elements which determine PASOK's bilateral or multilateral relations with other parties and movements abroad. One of the basic elements is to serve the goal of PASOK's foreign policy favoring the weakening of the two political-military blocs, NATO and the Warsaw Pact.

Expounding the party's positions on these issues A. Papandreou said:

"Recently we made three significant trips. The first was to Hungary where we had the opportunity to talk with the country's political leadership and assess the policy Hungary follows--always within the framework of the Warsaw Pact--in its international relations and contacts. We also made a very important trip to Iraq where we learned its leadership's positions and assessments of the course of international developments and the dangers which this period truly contains. Our third trip was to West Germany where we went for the first time since the establishment of PASOK in the wake of PAK [Panhellenic Liberation Movement]. It was a substantive contact between PASOK and the German Socialist Democratic Party, the SPD of West Germany.

"In my opinion there are some basic rules which determine bilateral relations with movements or parties abroad.

"The first criterion is, what social forces do these parties abroad represent? Do they represent the grand bourgeois class, or the interests of the workers, the working people, the farmers, the small and

medium businessmen? Socially what classes do they represent, what interests do they serve?

"Specifically concerning PASOK, many times we have said that we represent and express the interests of the underprivileged classes of the Greek people. Among these we include farmers, workers, salaried people, professional people, scientists, young people, small and medium businessmen. As opposed to classical communist parties our party does not speak of the working class as being in the vanguard. Our party consciously expresses the interests of all oppressed people, all classes which one way or another are the objects of exploitation by big capital. This is a singular position in Greece, but I firmly believe that it is the correct position in regard to our popular movement because Greece is not a country that has attained capitalist completion. If it had truly attained capitalist completion, we could have given more leeway, we could have spoken about the workers and the salaried people, ignoring the other social classes which are typical of semideveloped capitalist countries.

"The second element is connected with the program and the long-term goals of a party or movement. Basically we have a triad. We speak about national independence, about popular sovereignty which we directly link with the state's democratic structure and about social liberation for the working people which is basically the socialistic transformation of our society. We believe in decentralized socialism, in socialism based on the people's active participation in all problems which concern them, in the self-administration of the working people and the representatives of local administration.

"Consequently, when we choose a contact with a party the second element is, what is that party's vision and course? Does daily political practice confirm or cancel the vision toward which it is heading? Consequently, a specific study is needed of the behavior, of the political activity of a political force so that one may draw conclusions regarding the goals it serves.

"The third element is the position of a party or movement on the international clash between a metropolis and the periphery. This is a critical issue for PASOK. In our thoughts and analyses this conflict between a metropolis and the periphery, which is directly linked with imperialism, is of immense significance because class struggle--if that is how you want it--in our era, since the end of the last century, has acquired a special form--the form of a clash between the developed north and the underdeveloped south. Thus a national liberation movement, like the Palestinian movement, like the Algerian movement of the FLN, constitute for us political organizations with which we can cooperate because they take an active position in this great clash which is typical of our era. However, there are two additional parameters or axes which we must examine. The first of these is the contribution of a political force,

of a party, to the weakening of the political-military blocs. We have two political-military blocs--the Atlantic Alliance headed by the United States and the Eastern bloc headed by the Soviet Union. On this point I shall make a distinction that we have made in the past. The foreign dynamics of contemporary monopolistic capitalism lead to expansion, to the need for the expansion of the modes of production, of the manner of life in the urban West. The view, which at least thus far PASOK had expressed, is that there is no innate position or internal social mechanism pushing the Soviet Union and the other countries of the Eastern bloc into expansionist acts. Expansionist acts may take place but they are not linked with the internal need of the social system, of the social structure. They are more closely linked with problems connected with the hegemonistic role of a superpower. We make this distinction despite the fact that recently the Soviet Union undertook expansionist initiatives like the invasion of Afghanistan.

"Thus currently one can say that there are interventions by the Soviet Union within the presently tough game which is being played between the Western bloc, the United States, and the Eastern bloc, the Soviet Union.

"The fourth element is a party's contribution to the weakening of the political-military blocs.

"It is now worth saying more clearly how we understand the development of relations with another movement or party.

"So that cooperation may exist between PASOK and another party or movement--I am talking about cooperation with parties abroad--we must determine that there is some common ground, some overlapping of political practice and of PASOK's ideological positions. Otherwise cooperation has no meaning.

"For instance we want close cooperation with the Palestine Liberation Organization. Our common goals are: For the Palestinians the acquisition of a fatherland, for us the liberation of Cyprus from foreign occupation, the withdrawal of the bases of the great powers. Our common goal is the nonaligned policy which binds us with the PLO. We wish to maintain close relations with all parties which follow a nonaligned policy including those in power--for instance in Yugoslavia. Their stance leads to the weakening of political-military blocs.

"Let us say a few words on this point: There is the nonaligned movement to which PASOK would belong if it were in power as the government. This is so because governments, not parties, are represented in the movement of the nonaligned. Our position is that when PASOK is in power it will place Greece in the nonaligned movement.

"Then there is the category of parties which are related politically and ideologically. I know of no party or movement that is ideologically and

politically identical to PASOK. We have the right to chart our own course, the Greek way, toward socialism and there is no reason to copy other models, but we must take from the experience of other countries everything that is best, everything that is most useful, adjusted, of course, to our historic conditions, tradition, the structure of the country and so forth.

"In any case it has always been our position that what is called Western Europe is under the guidance and leadership of the United States, which not only offers the nuclear umbrella to cover the defense of the European countries but at the same time controls a significant part of the European economy through the multinational companies headquartered in the United States. When Karamanlis, the right and others speak about an independent power which will be called Western Europe and will lie between the two blocs, we stress that politically and militarily Western Europe is an extension of the United States. As you know, this is a correct position, a position we still advocate. Yet it would be an error for a party or a movement like ours not to follow closely the change in shades, the development of new--still rudimentary--processes that are undermining this relationship of dependence of Western European countries on the United States. This 4-year term of Carter--I am not referring only to the person but to the policy of the U.S. establishment, that is, the political, industrial, military establishment--has created real problems for Western Europe.

"There is the Afghanistan invasion, which has a long history. It began in 1978 when Daoud was toppled.

"The USSR was involved very negatively in this issue, not in 1979 but in 1978, when the story started. Of course, this put the United States on the alert. There is another viewpoint on the significance of Afghanistan, the U.S. viewpoint, which is not shared by the Europeans. They consider that the USSR was forced to impose itself on Afghanistan and that this is not a first step which will lead to other steps which will in turn lead to the conquest occupation of the area toward the Persian Gulf. This viewpoint coincides with our own viewpoint that the operation has a limited range. In an already cold war atmosphere, the U.S. establishment (it had imposed the strategic Pershing-2 and Cruise missiles on the Europeans) in a truly hysterical imperialist atmosphere saw Afghanistan as the first step of Soviet expansion toward the Persian Gulf and began a series of reprisals which are leading rapidly to the return of the cold war which contains more possibilities for a hot war and an open clash as it intensifies. In view of this U.S. policy toward Iran and the USSR, Western Europe--France and West Germany in any case--is being led to actions which finally it does not wish to commit because they undermine its long-term policies.

"We should not forget that in the deeper thoughts of the West Germans and the SPD there is a vision of unification, federation or union of

Western and Eastern Germany, something that in the long run entails withdrawal from the NATO military wing. Truly, it is significant for one to ascertain that these processes have led the German Social Democratic Party, which in other respects is so conservative and is the representative of modern monopolistic capitalism, to positions that 3 or 4 years ago would have been inconceivable for it to adopt.

"Thus, in addition to France, Germany begins for the first time in Europe to play timidly, carefully, a role that has begun to resemble the French role. This is something nobody should disregard, something that has to be taken into consideration.

"We do not belong, nor do we intend to belong, to the Socialist International. Why not? For the very simple reason that the International constitutes an organ that coordinates all parties belonging to it with resolutions which essentially are binding for the participating parties and do not concern something specific, some common ground and the international relations of the parties. For instance, regarding relations with Israel: If you belong to the International you must expand your horizon and let Israel participate, too, or even Turkey which is an expansionist power and has occupied Cyprus, which also belongs to the International. That is, the activity of the parties is coordinated, not on some specific subject which is common but on the entire spectrum of those parties' policies, something that of course is like Procrustes' bed [allusion to a mythical monster which would lay people on its bed and cut off their limbs if they were longer or rack them to death if they were shorter] and does not suit us. It is impermissible on the basis of our reasoning not to follow a policy as a party which we would have followed had we been in power.

"We say yes to the socialist group of the European Parliament. This group is composed of workers, socialist, social-democratic parties, yet they do not impose a common line. If the parties which participate in this group agree on all points they will vote alike in the European Parliament. However, there is no commitment if PASOK does not agree with a position of the other parties. In the European Parliament PASOK will vote for its own positions. It will not be bound by a collective decision. In other words, there will be no binding collective decision. I stress this because it is completely different from the Socialist International.

"At present, for the first time there is an opportunity for the existence of a group of socialist parties from southern Europe. This is another issue. The question is whether PASOK will participate in this group or not. We shall give the reply to this when we have learned what this cooperation will involve."

CSO: 4908

PAPER POINTS OUT 'TRUE STATE OF AFFAIRS' IN COUNTRY

AT121405 Athens I KATHIMERINI in Greek 12 Apr 80 p 5 AT

[Editorial: "Greece Should Not Be Taken for Granted"]

[Text] The visit of the four U.S. senators to our country was truly useful. It offered an opportunity for establishing and understanding the true state of affairs by those spheres and circles which might, on the one hand, more or less participate in formulating U.S. foreign policy as a whole but who, on the other hand, are outside the more or less watertight decision-making centers of executive authority. Consequently this true state of affairs may be passed on in its true living "dynamics" to these decision-making centers by personalities who differ from the "usual diplomatic channels" in mentality, contacts, ways of thinking and action.

We believe that such a contribution toward clarifying the true state of affairs which is of interest to and concerns both the United States and Greece, even though to a different degree and from a different point of view, is useful for each country and for their relationships. It is well known that "good and clear accounts make good friends."

The true state of affairs has two aspects, as presented to the U.S. senators by the most official sources, who expressed the feelings of the entire Greek nation. One is the cause and dynamics of the Greek-Turkish dispute and, in turn, involvement of this dispute in the question of Greek relations with the Atlantic Alliance. The other aspect is the respective positions of Greece and the United States (and certain other powers) and the repercussions and effects these have upon the Greek people.

We will briefly deal with the second aspect. The first one is well known to us and needs no explanation, while it is this second aspect which must be both recalled and stressed.

What, therefore, was stated to our visitors from across the Atlantic--and this was done in a firm manner and with stark sincerity--is that

Greece must not "be taken for granted." This means that Greece will not give in to pressures and demands which are contrary to its legal rights and interests. At the same time the position of the Alliance, which the country is a member of, will certainly influence Greece's position within the alliance itself--not to mention some of the country's positions and orientations to date.

It is apparent that certain personalities in centers of authority and decision-making across the Atlantic have not yet forgotten the picture they had of the relations between Greece, the Alliance and the United States, specifically during the postwar period and the period up to the dissolution of the April tyranny. These were relations of dependence and servility for reasons which are well known and which should not be once again analyzed here.

The position of the Atlantic Alliance as such, however, (and particularly the position of the power which dominates the Alliance) toward both this April gang of tyranny as well as toward Turkey (its invasion of Cyprus and its claims against Greece) acted as a catalyst and became "the road to Damascus" for the Greek nation and its leaders. This occurred because there has been no fundamental pressure against Turkey since that tragic summer of 1974--by those who are in a position to make themselves heard--for stopping the invasion of Cyprus and the rapacious claims upon Hellenic territory and, on the contrary, the "positions" and claims of Turkey were directly or indirectly adopted while Turkey itself was helped in various ways at the expense of the balance of power in the area and at the expense of the legal and vital interests and the rights of Greece.

Ever since that time, therefore, the Greeks have understood that alliances are not ends in themselves nor absolute values but only ways and means for guaranteeing certain basic and joint interests of the partners. When alliances oppose, instead of serving, this purpose then they have no reason for existing, at least not for the member subjected to this distortion.

The era of absolute dependencies and of "obedience" ended for good a long time ago. This is because the objective and subjective factors which created that state of dependence have passed into a misty past.

Over and above this, however, favor of Turkey as expressed through adoption and tolerance of its expansionist and rapacious views against Cyprus and Greece--views which have absolutely no relationship with even the most stark interests of the alliance as such--understandably cultivates an anti-Western (and particularly anti-American) feeling among the entire Greek nation with the exception of local political factions, or social classes, including, in other words, the conservative and traditionally pro-Western portion of the nation and also the conservative and, in principle, pro-Western ruling class. These trends could be converted into political action through the appearance and

creation of a parallel political situation in Greece. Of necessity this does not have to happen after an election causes "a change of the guard" within the parliamentary majority and among the representatives of executive authority. This could also happen if the majority was preserved by the relatively conservative portion of the political world which was (and continues to remain) the representative of the country's basic international orientations to date.

It is approximately this opinion--in essence--which was stated to the U.S. senators, as we understand it, even if this was done with variations or in different words. We state these things in our own way--as we have already done so many times, particularly during recent months--in order to confirm the "correctness of the statement." We also do this so that nobody has any doubts or delusions as to the true state of affairs and its "dynamics."

CSO: 4908

PETROCHEMICAL DEVELOPMENT PROGRAM REPORTED IN TROUBLE

Athens O OIKONOMIKOS in Greek 6 Mar 80 pp 3, 4, 21

[Article by Dim. Stergiou]

[Text] After a long period of indecisiveness about taking initiative for "justifying" the statutory aims and the founding of the Greek Industrial and Mining Investments Company (ELEVME)--which was so widely publicized a few years ago--at the end of January and the beginning of February a succession of news reports in all the political and financial newspapers were presenting as at last final the decision of the government to proceed to the establishment of a petrochemical complex at Kryonerion, Aitolokarnania. Specifically, in relevant announcements it has been stated that K. Goustis, president of the ELEVME, notified Premier K. Karamanlis that the immediate commencement of this project is now possible--a project for which about \$400 million will be invested in its first phase. Indeed, certain of these announcements have also been accompanied by the appropriate "tidbit" to the effect that supposedly the report about the commencement of work on establishing a petrochemical industry in our country has reassured not only the business community which is active in the sector of plastics, but also the world of consumers, who hope for price stabilizations and relief from the price increases in this sector which are coming from abroad.

It is worth noting that in his explanatory statements regarding this matter on 2 February, K. Goustis, president of the ELEVME, stressed the following in connection with this investment program:

"The 2-year period which has passed since the undertaking of the program by the ELEVME has been needed in order to fully study all the parameters which reveal the advisability and viability of an investment of the magnitude and complexity of this petrochemical investment. The work which was done in these 2 years has created the infrastructure which will make possible the smooth and timely execution of the project, without the unpleasant surprises which frequently accompany large investments which have begun hastily and without planning."

Reservations Expressed

Nevertheless, despite the fact that this project "has been studied" for 2 years, exclusive reports we have received state that in this interval not all the "parameters" of this investment have been "checked out" and, consequently, this investment program may hold significant surprises in store in the future. According to the same reports, reservations had been expressed about the advisability of establishing a petrochemical industry in our country, in a letter which was sent on 15 May 1979 to Premier K. Karamanlis by the then governor of the National Bank, Prof Angelos Angelopoulos. This letter, along with the one which Mr Angelopoulos sent to Minister of Coordination K. Mitsotakis on 1 December (that is, 2 days before his removal from the management of the National Bank) proved to be "fatal" to the former governor of the foremost crediting institution in the country. The events which preceded or followed the removal of Mr Angelopoulos from the management of the National Bank and which indirectly corroborate the reasons for his replacement are the following:

- a) It appears that Minister of Coordination K. Mitsotakis is exceedingly interested in the establishment of the petrochemical complex at Kryonerion, Aitolokarnania. According to our information, he was pressuring Mr Angelopoulos to acquiesce in the realization of this investment and to "agree with" the decision of the government to establish this petrochemical industry by means of capital from the National Bank.
- b) In the letter which he sent on 1 December 1979 to Minister of Coordination K. Mitsotakis, Angelopoulos submitted for his consideration certain matters of credit policy which had brought the National Bank to a difficult position.
- c) A few days after the removal of Prof Angelos Angelopoulos from the management of the National Bank, the Finance Committee approved the scheme for financing the first phase of the project to establish a petrochemical complex at Kryonerion, Aitolokarnania--amounting to an investment of \$400 million, as against the \$250 million which had been estimated previously. According to other reports we received, following the removal of Angelopoulos from the management of the National Bank the scheme for financing this project changed further. Specifically, with the new scheme the banks have undertaken the obligation to vouch for the Greek State, whereas with the old scheme the State guaranteed the loans of the banks!

Unprofitable Industry

According to our exclusive information, the reservations of Prof Angelos Angelopoulos as to the advisability of establishing this petrochemical industry consisted of the following:

1. With the unit which is to be established, no utilization will be made of the country's own resources, for which every subsidy and every sacrifice is needed, but rather a petrochemical industry is going to be created which for the present will import its raw material (ethylene) from abroad.
2. The establishment of this petrochemical industry is taking place in Greece at a time when this industrial branch is passing through a serious crisis in all countries, and the existing industrial outfits of this sort are working at a decreased rate of output--not counting the large outfits under construction in the countries of the Persian Gulf. In corroboration of this finding, Mr Angelopoulos mentions relevant conclusions which were reached by a special study made by the OECD, as well as surveys by periodicals with an international reputation (ECONOMIST of 7 April 1979), in which this pessimistic picture of the petrochemical industry presents itself.
3. Certain large industries, such as Monsanto and DuPont, are taking measures to reduce their production, at the moment when the establishment of a large petrochemical industry has been decided on in Greece.
4. Representatives of the EEC have drawn attention to the unprofitable establishment of such an industry.
5. The technical-economic study which was drawn up by a foreign firm anticipates that the unit under construction--whose cost will amount to \$250 million in its first phase (Editor's note: It has been announced that this cost will now reach \$400 million) and whose total cost will come to \$860 million (Editor's note: Given the new data, it will reach \$1 billion)--will be a losing venture during the first 8 years (with a loss of about \$52 million). Only from 1989 on will the profit-and-loss balance begin to be positive, with a profit of \$19.5 million in the first year.
6. Because of its unprofitable operation from the private-economy point of view, the ELEVME is asking for governmental subsidizing, through a free grant of 550 million drachmas (\$15 million) and the supplying of an interest-free loan of \$45 million--that is, 1,665 million drachmas. This loan will be payable in 10 annual installments, the first of which should be paid 2 years after the commencement of operation of the project. With this governmental subsidy, which means an added burden on the State of 2.1 billion drachmas, the period of losses is reduced, again without the business gains being favorable during the first period. During the first 7 years, no benefit will accrue, and a profit is expected only beginning in the eighth year (1990), which will be on the order of \$42 million and which will tend to increase in the following years, provided that international conditions of competition permit such a thing. Thus, the conclusion is that the cost to the nation

(private participation and State investment) is still high and that the project will be losing money during the first decade of its operations.

Aluminum Plant Should Be Established

On the other hand, in his letter to Premier K. Karamanlis, Prof Angelos Angelopoulos emphasized the need to make use of our bauxites for the production of alumina and aluminum, stressing that according to relevant international studies, during the coming decades the demand for this product will be greater than the supply, with the result that its price has increased significantly in recent months.

Mr Angelopoulos bases the feasibility of taking advantage in this way of Greek bauxites on the following findings:

- a. In a memorandum which he submitted recently to Minister of Industry and Energy Milt. Evert, Prof Mousoulos maintained that if the peat at Filippoi is utilized, it will permit the creation of a 400-megawatt plant, which is adequate for the production of aluminum on the order of 200,000 tons. As Mousoulos points out in his memorandum, this production, which requires 400,000 tons of alumina, can be secured by way of the 300,000 tons of alumina presently being exported by the Agios Nikolaos plant (of Pessine) plus an additional production of 100,000 tons of alumina.
- b. Through the utilization of the Filippoi peat, the difficulties connected with the production of aluminum (because of the well-known insufficiency of electric power) will be dealt with.
- c. Through the construction of this plant, Greece will be able to export aluminum (along with the present exports by Pessine) of 350,000 tons per year, having a value of about \$500 million, and thus it will have a great "trump card" of industrial prominence in the EEC sector.
- d. The aluminum plant, which will cost \$660 million, will be profitable from the first year of its operation, in contrast to the petrochemical plant, which will be a losing venture for a decade and will be of uncertain durability.

The Financing

As we stated above, the initial scheme for financing the work of constructing the petrochemical complex consisted in the earmarking on the part of the three banks which are parties to the capital of the ELEVME (National Bank, ETVA [Hellenic Industrial Development Bank], and ETEVE [National Investment Bank for Industrial Development]) of 2.1 billion drachmas as their share in the capital stock of the new

plant. This sum is also mentioned in his letter to Premier K. Karamanlis by Prof Angelos Angelopoulos. But, as is revealed also from what was given above, the National Bank was opposed to participating in this scheme--something which seems clear also from an excerpt from a recent study by the ELEVME, in which the following is stated:

"The ultimate and basic question, which continues to be untouched and unresolved, is what are the role and the provinces of the ELEVME, if the present investments of its shareholder banks are indicative of a more abiding disposition on their part--that is, indicative of their not wanting to participate in investments which would not have had great profitability, despite their social and national expediency and benefit?"

And the answer to this question was given when Prof Angelos Angelopoulos was removed from the management of the National Bank. In fact, according to our information, on 22 December (Mr Angelopoulos had already been replaced on 3 December), the Finance Committee convened in order to resolve the financing problem concerning the establishment of the petrochemical industry. Finally, the financing scheme was approved which has been announced for the first phase of the project, which is as follows:

Capital stock of \$85 million.

An interest-free loan which will be granted by the State, of \$90 million.

Participation by the State in infrastructure projects to the tune of \$30 million.

Credits from abroad of \$135 million.

Banking loans in foreign exchange of \$60 million. That is to say, a total of \$400 million.

The Project

According to relevant announcements, the chief characteristics of this investment are the following:

a) The petrochemical complex under construction is designed to meet the needs of the Greek market for plastic raw materials--that is, polyethylene, PVC [polyvinyl chloride], and polypropylene. As has become evident from a study of the market, domestic consumption is already considerable, and in 1982--when commencement of production by the complex is expected--this consumption will be enough to support commercial-scale production units.

b) The petrochemical complex will produce the following final products:

	Tons (annually)
Polyethylene of low density	140,000
Polyethylene of high density	50,000
PVC	86,000
Polypropylene	50,000
Sodium hydroxide	61,000
Gasoline (by cracking)	148,000
Liquified gas	60,000

c) Because of the anticipated escalation of consumption, the construction of this complex will take place in two phases, which are given below:

	Phase 1	Phase 2	Final scheme
Commencement of operation	1982	1986	1986
Units	(Output capacities in metric tons per year)		
1. Production of ethylene (cracking)	-	240,000	240,000
2. Polyethylene of low density	70,000	70,000	140,000
3. Polyethylene of high density	50,000	-	50,000
4. PVC	43,000	43,000	86,000
5. Polypropylene	-	50,000	50,000
6. VCM [vinyl chloride monomer] (raw material for PCV)	-	99,000 [sic]	90,000
7. Electrolysis			
Chlorine	.	56,000	56,000
Sodium hydroxide		61,000	61,000

Aside from these units, the complex will include also all the auxiliary installations necessary for its operation, as well as a port and a system for processing wastes, in order to protect the environment in accordance with the strictest of European standards.

d) During phase 1, the raw materials will be imported ethylene and VCM (raw material for PVC), and in phase 2 the raw material will be naphtha.

e) The total cost of investment, computed in 1977 dollars, comes to \$547 million, and it is broken down as follows:

Phase 1--\$215 million.

Phase 2--\$332 million.

The corresponding drachma share is:

Phase 1--\$94 million.

Phase 2--\$118 million.

The commercial efficiency of the complex permits the marketing of the products at competitive prices within the framework of the Common Market.

For the total 20-year period of commercial life of the project, it is calculated that a foreign exchange benefit will arise amounting to \$1,250 million at 1977 prices.

It is calculated that the total number of personnel at the completed complex will be about 800 persons.

Moreover, in statements he made, Mr Goustis had stressed the following about this same project:

"1. The production of the petrochemical unit will cover the needs of the domestic market, and to a limited extent it will also be directed toward the markets of foreign countries.

"2. The technology will be foreign and not Greek. And moreover, the participation of foreign firms will be possible, but only with their holding of minority shares.

"3. The raw material will be procured from Italy or France or from countries of northwest Europe. And it will be procured at competitive prices, which are lower than the prices which would be formed from the process of producing the raw material domestically. Of course, such procurement from foreign countries will take place only up to 1986, when the unit for producing ethylene by cracking--that is, for producing the raw material--will begin to function."

12114

CSO: 4908

CONFERENCE ON NUCLEAR POWER PLANT CONVENED

Athens TA NEA in Greek 17 Mar 80 p 9

[Article by Giorgos Douatzis]

[Text] The first nuclear reactor in our country is expected to be established in 1988, according to the nuclear program of the DEI [Public Power Corporation], in an area which will be proposed by the American company "Ebasco."

This was announced on the final day of proceedings of the Public Conference on Nuclear Power Reactors, at which also a "round-table discussion" was held, with representatives of governmental agencies taking part.

At this conference the inconsistent energy policy of the government became even more obvious, since in a speech at the Public Conference, the director general of the New Democracy Party, G. Misailidis, stated that the 10-year program of the DEI provides for the establishment of a nuclear reactor having an electric power of 600 megawatts, whereas 2 days earlier Deputy Minister of Industry Protopapadakis stressed at the same conference that "a decision on the establishment of a nuclear reactor will be taken only following the study by Ebasco."

Mr Misailidis stated further that natural gas from Russia and Algeria is going to be utilized, but--as TA NEA wrote in an exclusive article--a week previously Minister of Industry Evert dropped the entire program of utilizing natural gas, on the basis of a study done by the DEFA [Athens Public Gas Corporation].

Taking part in the "round-table discussion," which was steered by Mr Markopoulos, president of the EEPE [Greek Nuclear Power Committee], were Kouloumbis, president of the TEE [Technical Chamber of Greece]; Angelopoulos, manager of the DEI until a few days ago and professor of nuclear technology at the EMP [Greek Metsovion Polytechnic School]; Moysis, the present manager of the DEI; Dokas, president of the Greek Atomic Energy Committee; and Orfanidis, who heads the secretariat of the National Energy Council.

Mr Kouloumbis stated that of the five participants to this discussion, four are disposed toward the establishment of a reactor in our country, although the representative of the Union of Greek Physicists, I. Theofilou, charged that he was excluded from the discussion, as was Mr Papathanasopoulos, a nuclear physicist at the Dimokritos Nuclear Research Center, because they were opposed to the establishment of such a reactor.

Mr Markopoulos stated further that our Greek scientific manpower is not being turned to good account, and specifically that many theoretical works have been done at the Dimokritos Center, but none which can bear on some specific Greek problem.

"The only thing which the managers of the Dimokritos Center have always wanted was that the researcher be efficient, dutiful, and patriotic."

The speakers made the following comments, among others:

K. Dokas: We are lagging behind from the point of view of safety regulations, but at the appropriate time we will be prepared. We are not in an ideal situation, but we will put into effect what the other countries are implementing. We would like more loans for uranium explorations.

N. Angelopoulos: With regard to nuclear reactors, we will have a dependent status in any case, but what does independence mean here? If we know well the seismicity of each area, we can set up a reactor. The sum of \$2 billion which is required for this reactor is intolerably large for some, small for others.

P. Moysis: The nuclear program of the DEI provides for the establishment of a reactor having a certain number of megawatts...something which does not constitute an irreversible decision. The Ebasco company will suggest five spots, and the DEI will choose from these the one for setting up the reactor.

Nothing More

P. Orfanidis: After the year 2000, it will not be possible to supply our electric power by means of domestic raw materials. Nuclear power and coal are solutions which are accepted the whole world over.

E. Kouloumbis: Throughout the world, the people are protesting against the establishment of nuclear reactors, and this concerns me deeply. The project which was commissioned to Ebasco could have been done by Greek scientists, with the participation of only one foreign adviser. How is it possible for Greeks to check out the study by Ebasco when you believe that these people are not able to make such a study themselves?

The situation in our country does not speak in favor of the establishment of a nuclear reactor here. Half of the earthquakes in Europe occur in Greece. An area without seismicity must be found, at a distance of 200 kilometers from any urban center. And such a site does not exist in our homeland.

It should be noted that despite the countercharges and the unpersuasive line of argument of those participants to the discussion who were in favor of the establishment of a nuclear reactor, in the end no conclusion was reached on the necessity and feasibility of utilizing nuclear power in our country.

Characteristic of the lack of any potential for protecting the population is the fact that--as was admitted by foreign experts during the discussion--sales of nuclear reactors by the countries involved have dropped to 50 percent of the forecasts, because of massive opposition by the populations of various countries. An opposition which has led responsible governments to hold referendums, as will be done in Sweden next Sunday.

Similar opposition is being offered by the government of Luxembourg, against the expansion of a French nuclear plant near its borders, by the Indians, who have had a leakage of radioactivity from a Bombay plant, by the Basques in Spain, and others.

The establishment of a reactor in our country has also been opposed by the Association for the Quality of Life (EPOIZO), in an announcement it made yesterday.

12114

CSO: 4908

NEW GOVERNMENT ALREADY SPLIT ON POLICIES

Reykjavik MORGUNBLADID in Icelandic 16 Feb 80 p 22, 23

[Article by Stg.: "An Historic Treachery"]

[Text] "You should be happy with the government of Gunnar Thoroddsen," said an acquaintance of mine to me a few days ago, "the historic reconciliation of the Independence Party and the People's Alliance, which you newspaper people have been calling for, has been achieved. My answer was: "We have not been calling for an historical reconciliation through an historic treachery."

The government formation of Gunnar Thoroddsen is an historic treachery perpetrated against the Independence Party, his colleagues in the party leadership and the party rank and file, who have, time and again, nominated and elected him. He is not aiming for reconciliation in Iceland but rather for dissention. His cabinet will not promote solidarity in difficult times but rather poison the air on the political scene and lead to increased tensions and new conflicts in many areas of national life.

The Ice Was Broken

The discussions carried out by Geir Hallgrimsson with the leaders of the People's Alliance, in the first half of January, broke the ice for intercourse between the Independence Party and the communists. For the first time in 34 years the leaders of those two opponent parties sat down for discussions together on possible cooperation. The material causes of these discussions were the need for comprehensive cooperation on a solution to the inflation problem. Such discussions had not taken place between the leaders of the Independence Party and the socialists since those in December, 1946, when Olafur Thors made a determined effort to reconstitute the new formation government, which fell in October of that year. But the matter is not in its proper historical context unless mention is made of certain feelers which were put out after 1959 and the latter part of the restoration period on cooperation between the parties. The leaders of the People's Alliance have been especially interested in these talks. Publically their desire to approach the Independence Party only found expression in the

fact that Svavar Gestsson delivered, to the chairman of the Independence Party, proposals of the People's Alliance on economics when Svavar Gestsson had in hand a request to form a government and met with the Independence Party chairman. That was a new step for the People's Alliance and a weighty one.

On the other hand, these discussions have made it clear that the new leadership of the People's Alliance is conservative, in the worse sense of the word. They dare not take risks. They dare not break new political ground. They are firmly bound by the old prejudices and the accepted views. They are more afraid of collaboration with the Independence Party than Independence Party people are with them. Together with the Progressive Party leadership the leaders of the People's Alliance are the worst conservatives in Icelandic politics just now.

The People's Alliance people do not trust themselves in collaboration with the Independence Party except in a national government. They were neither prepared for a two party government or for a new configuration government but called upon the Progressives. After Benedikt Grondal delivered his message to the president, the People's Alliance put the emphasis on a national government. Special agreement was reached in the party Althing delegation concerning effort towards a national government. Contrary to what many have thought, the People's Alliance planned to be part of the next government. This is the explanation for the fact that Geir Hallgrimsson lay so much emphasis on discussions for a national government. He struggled to the bitter end to see if dissimilar social powers could cooperate in finding a solution for inflation.

Independence Party, Progressive Party, People's Alliance

In an article, which I published last December in MORGUNBLADID concerning possible cooperation of the Independence Party and the People's Alliance, I mentioned a two party administration and a new configuration government. On the other hand, I did not discuss the possibility that the Progressive Party would replace the People's Party. I did not think it possible. The reasons are as follows:

First

The People's Alliance and the Progressive Party are the major opponents of the Independence Party. A large body of Independence Party members cannot conceive of cooperation with the People's Alliance. The body of party members is equally large who are opposed to cooperation with the Progressives but prefer the Progressives to the communists. The Independence Party leader who has proposed cooperation with both these parties in a government has landed in great difficulties. In fact, I am convinced that, under normal circumstances, no such proposals would have ever arisen in the power establishment of the Independence Party. Both in the Althing delegation, and in the party council, there were strong personages who were opponents

of any kind of cooperation with the People's Alliance, and not just this kind. For example, Gunnar Thoroddsen was one of those opposed to cooperation with the communists when this was discussed at the beginning of the government crisis.

Second

The Independence Party has had difficulty in obtaining an acceptable policy agreement in discussions with these two parties. In three party discussions everyone can secure something. The points of view of the Progressives and of People's Alliance partisans are similar in numerous respects. They have made a collective demand for so many of their policies that the situation is impossible for the Independence Party.

Third

During all the time since 1956, when the first leftist government of Iceland was formed, there has been close connection between the Progressive Party and the People's Alliance. That connection was consecrated during the recuperation years when these two parties were in opposition for 13 successive years. They have often stood together against the Independence Party in the government and the Independence Party has often had a fight on its hands from this direction. The political acts of Gunnar Thoroddsen in connection with his government formation have been of such a nature that even the configuration of the government is obscure. And the background, discussed here, makes it clear why Geir Hallgrimsson thought a government formation of this sort unlikely.

On the other hand, discussions on possible cooperation between the Independence Party and the People's Alliance, to be sure, laid the groundwork, to some degree, for the government formation of Gunnar Thoroddsen. He planned it for reconciliation but achieved it in such a disfigured manner that his government formation has led to increased dissensions.

To Fall for Temptation

I think that many persons of influence in the People's Alliance, not the least in its labor union arm, have regarded the establishment of connections between themselves and the Independence Party as of some usefulness and have felt that a temporary cooperation of these two parties would most likely lead to a certain success, in the struggle against inflation. But Gunnar Thoroddsen offered the People's Alliance a choice which it did not have the courage, foresight and wisdom to seize upon. And people sometimes fall for temptation.

The decision of the new leadership of the People's Alliance to fall for the temptation offered by Gunnar Thoroddsen will result in putting the opportunity for a reproachment between the Independence Party and the People's Alliance, or anything like that, out of the picture. A long time will pass before it occurs to anyone in the Independence Party to think about cooperation with the communists concerning the urgent problems in Icelandic politics.

The People's Alliance was, when the chips were down, more minded to seize a temporary opportunity, which existed because of the personal ambition of one person, for the purpose of sowing dissention within the Independence Party, than enter into any total cooperation for a solution to urgent problems.

Weak Position of Independence Party People in the Government

The government formation confirms the arguments advanced above against a coalition of the Independence Party, the Progressive Party and the People's Alliance.

The policy agreement, which Gunnar Thoroddsen has made with those parties, is very divergent from the viewpoint of the Independence Party. It is the kind of agreement that leftist governments make. It is no accident that Hjorleifur Guttormsson has stated, in an interview, that there are only minor differences between the government of Gunnar Thoroddsen and the last leftist government.

The position of the three Independence men in the government is weak. Outside of the priministership the division of offices is such that their general political influence is very little.

A precondition for cooperation of the Independence Party with the People's Alliance has always been that the party enter into cooperation with all its powers intact. Gunnar Thoroddsen and his associates have no such strength backing them up. Both the People's Alliance People and the Progressives look upon the three Independence Party members as their hostages in the government. Both of the parties think that Thoroddsen, Fridjon and Palmi have no choice but to sit in the government only as long as the two parties see fit. Nothing more need be said on the weak position of these three men of the Independence Party.

Increased Tensions, New Conflicts

We have now to deal with a government intended to unify rather than to divide. As a backdrop to it are decades of frustration, dissolution and political foolishness. But, unfortunately, those politicians who have now formed a government did not prove strong enough to raise themselves above the opportunists of the hour and set about the tasks of the future with the required highmindedness.

In place of a government which promotes reconciliation and solidarity we have gained a government which divides. It has come into being under conditions which have poisoned the air between the party and individuals. It will lead to increased tensions and new conflicts.

11433

CSO: 3111

SCHRAM EXAMINES OUTLOOK FOR INDEPENDENCE PARTY

Reykjavik MORGUNBLADID in Icelandic 16 Feb 80 p 22

[Editorial: "A Mass Party of Liberals"]

[Text] Ellert B. Schram, chairman of the delegate council of Independence Party chapters in Reykjavik, gave a speech in the party meeting which raised considerable interest. He brought into the light the main considerations that people ought to bear in mind when assessing the events taking place in Icelandic politics in the last month.

- 1) He pointed to the difficult bargaining position of the chairman of the Independence Party in the government formation discussions on account of the fact that the party vice chairman was, at the same time, offering to undertake independent discussions, behind the back of the chairman and the party Althing delegation.
- 2) The vice chairman justified his acts by saying that he was trying to preserve the honor of the Althing and that an extra-parliamentary government would have been a disgrace. These words accord badly with the fact that after the fall of the leftist government in 1979 this same man was the strongest proponent, within the Althing delegation of the Independence Party, of extra-parliamentary government.
- 3) And, asked Schram, is that in support of an independence policy when THODVILJINN can explain the policy agreement of the new government with the statement that "in major areas the policy agreement, which has now been made, continues policies agreed upon as a foundation of the last leftist government?" Schram himself calls the agreement circumlocution and demagogy.

Ellert B. Schram states, concerning the government formation: "I may liken the situation to the deciding match of a soccer tournament. The majority of the spectators are, to be sure, supporting the other team but our team is determined to stand together and that victory may be won if nothing goes wrong. No goal is scored and the game continues for a while. The men are becoming exhausted and the spectators impatient. Then the unexpected happens, one of our teammates hurls the ball with his knees into his own goal area.

He gives the explanation that he was wearied at the long drawn out struggle; the spectators rejoice that there has been a decision and cheer the one making the goal. But afterwards his teammates stand disturbed and silent. They do not understand what has taken place." And Schram also says: "Our first reaction was amazement, then anger and, finally, sorrow. We are sorrowful that those, whom we have trusted, have failed to understand that the path to happiness in life and work is followed in honor and sincerity."

In the conclusion of his speech the chairman of the delegate council laid emphasis on the fact that Independence Party people should demonstrate solidarity and calmness. The Althing delegation and the party council have come out against the government and its policies. But things cannot be allowed to rest there. Careful consideration and not rage must show the path that is to be trod in the future, although party people are scarcely in the mood to congratulate, in particular, those who think to "preserve the national interest in the arms of the communists," as Schram expressed it. It would be right if the train of events and time would damm those, as well as others, for their works.

MORGUNBLADID wholeheartedly endorses the words of Schram. That powerful glee, which has now griped TIMINN and THJODVILJINN, the organs of the major opponents of the Independence Party, makes it clear to Independence Party partisans, more than anything else, what, in fact, must be done in the matter. And things will be understood still better when the public gains a more detailed explanation for the train of events.

The Independence Party is on stormy seas. But that has happened before. But true to its origins (as an amalgamation of the Conservative and Liberal parties) and its fundamental views, it will continue to be the strongest national political and compromising power, wherein the rights and welfare of the individual, of each person, hold the place of honor; it is a mass party of liberals which will be a faithful guardian of the civic polity and will work towards promoting greater justice and perfection. The shadows of temporary ill luck will soon be behind us. Richer, through the experience, Independence Party partisans in all of Iceland will construct a future for the party and for the people.

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CSO: 3111

INDEPENDENCE SECURITY COMMITTEE MEMBER CHOSEN

Reykjavik MORGUNBLADID in Icelandic 19 Feb 80 p 2

[Text] The Althing delegation of the Independence Party yesterday elected Bjorn Bjarnason, a newsman, to the Security Committee, founded in 1978 with the formation of the leftist government. Bjorn Bjarnason was chosen for the committee in place of Geir Hallgrimsson, who requested to be relieved of his duties as representative of the Independence Party on the committee. Newly appointed chairman of the committee is Bjorgvin Vilmundarson, a banker.



Bjorn Bjarnason

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BRIEFS

SOVIET OIL PRICES--According to import plans three ships will load oil for Iceland this week in Soviet harbors with a total of 40,000 tons. Of this 11,000 tons of gasoline and 10,000 tons of benzine will be loaded in Black Sea harbors and 18-19,000 tons of crude oil will be loaded into tankers in Baltic harbors, if the plans are followed. According to information obtained yesterday by MORGUNBLADID the price of gasoline on the Rotterdam market, upon which our oil purchase from the Russians is based, is now advantageous. The price of gasoline was listed at \$304 a ton last 21 February and that is a lower price than the price at which our last loads of gasoline were purchased. Crude oil is also somewhat lower than the price listed at the beginning of the year. It was \$150 a ton on 21 February. On the other hand, Benzine has increased in price and was \$379.50 a ton on 21 February, which is a price similar to that paid for earlier loads. [Text] [Reykjavik MORGUNBLADID in Icelandic 27 Feb 80 p 2] 11433

SOVIET OIL PURCHASE--It has been decided to purchase the quantity of oil from the Russians or the second quarter of 1980 agreed upon in the very disadvantageous agreement between the countries of last Autumn. According to the conditions of the agreement Iceland must give notice 45 days in advance of the beginning of each quarter whether or not it intends to purchase the quantity agreed upon in the agreement. The oil companies have estimated the oil needs of Iceland for the period in question, that is, the months of April-June, and have concluded that it is necessary to purchase all the oil that can be bought from the Russians. No provision is made for oil purchase from other countries during this period. On the other hand, oil purchases from Britain are planned for the second half of the year, as has been published. [Text] [Reykjavik MORGUNBLADID in Icelandic 19 Feb 80 p 80] 11433

LABOR PROTEST TO BREZHNEV--The managing body of the Association of State and Municipal Employees has, in cooperation with the Icelandic chapter of Amnesty International, sent a message to Brezhnev, president of the Soviet Union, protesting the mis-treatment and detention of those individuals and groups which have fought for full human rights in conformity with the Helsinki Accord of 1978. The managing body of the Association of State and Municipal Employees also sent a protest to Lucas Garcia, president of Guatemala, on account of imprisonments and killings of labor leaders, etc., which have been carried out by government troops without due process and illegally. [Text] [Reykjavik MORGUNBLADID in Icelandic 16 Feb 80 p 2] 11433

LEFTIST PROPOSAL FOR REFORM OF ANTITERRORIST LAW

Rome L'UNITA in Italian 15 Mar 80 p 2

[Text] Rome--The parliamentary groups of the PCI [Italian Communist Party], the PSI [Italian Socialist Party], the PDUP [Proletarian Unity Party], and the Independent Left introduced a bill in the Chamber of Deputies yesterday that would modify the most controversial points of the antiterrorist decree law. A joint statement issued by them in this regard says, "The initiative that was blocked during the Chamber debate, by the government's refusal to agree to substantive changes and by radical obstructionism, is thus resumed."

The communique further states, "The forces that support this bill had different viewpoints at the time of the parliamentary debate. They have deemed it indispensable, however, and urgent, to undertake an immediate initiative attesting the unified intent of the left to pursue the development of the fight against terrorism in a properly rigorous manner respectful of constitutional legality. The agreement on a joint platform in this regard, however, does not preclude but rather reinforces any lines of further action the various groups may intend to pursue individually to guarantee full response by the antiterrorist effort to the basic principles of our political system."

The bill specifically addresses the following points related to the current decree law:

- 1) Elimination of provisional detention by the civil police on its own authority for questioning, restoring this discipline entirely to the ambit of the criminal police;
- 2) Elimination of augmented periods of detention pending trial; lengthening of the period would be permitted only in the case of the preliminary proceeding, all other detention periods returning to the maximum durations in effect before the passing of the present decree law;

3) Elimination of the reference to subversion of the "democratic order," substituting for the expression enclosed in quotation marks that of "constitutional order," which is politically and technically more precise;

4) Establishment of a new discipline on building searches, eliminating block searches, permitting searches of single buildings, and introducing the principle of written confirmations of all judicial authorizations for telephone wiretaps;

5) Provision for nonpunishability of anyone who, not having committed a crime, has prior to the start of the proceeding abandoned any and all associations formed for purposes of terrorism or of subverting the constitutional order;

6) Coordination of the discipline relating to crimes committed for terroristic purposes with the other principles relating to conditional suspension of sentence and to automatic grounds for proceeding.

These measures are intended to render the law more organic, but the greater severity of the criteria they establish should not be overlooked. As just one example, we might note that provisions for suspension of sentence and for alternative measures to imprisonment are limited solely to cases in which a judge is permitted to grant conditional freedom.

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CSO: 3104

CGIL ANALYZES NATURE OF 10-YEAR CHANGE IN SOUTH

Rome RASSEGNA SINDACALE in Italian 24 Jan 80 pp 5-7

[Article by Giovanni Rispoli: "How the 'Kingdom of the South' Has Changed"]

[Text] Changes, tendencies, the emergence of new protagonists, and the continued existence of old equilibriums--these are the current terms of the long-standing "Southern Issue." The demonstration in Reggio Calabria constitutes a turning point in the action of the labor unions in the South. Economic planning and the role of the government.

It is just 7 hours by train from Naples to Rome. It happened to the participants in the CGIL seminar on "1969-1979--Ten Years of Labor Union Struggle in the South, Review and Prospects for the Eighties." A small disaster which might in some people have led to a reconsideration on the real changes such as they have taken place in the fabric of southern society. If to that we add feelings that might be aroused by the news on Tito's health then it seems that somebody might have tied this whole thing in with the condition of the railroads during the years when Italy was "divided in two." But late-running trains, as we know, can also be the children of the financial ruin of the welfare state, in other words, a phenomenon caused by elements which are entirely new with respect to the situation existing in the "kingdom of the south" and in tune with the contradictions that have arisen in the social fabric of the South over the past 10 years. That brings us to one of the main points in the seminar. What has changed in the South during this period of time? The answer is not simple and, regarding some phenomena, we have a perception which is only a little more than intuitive or downright empirical. But some tendencies are clear and these are the ones we can refer to in likewise renewing the instruments and lines of action of the labor union.

Above all, the continued existence and deterioration--starting in 1974--of the gap regarding the country's developed areas. This, in a situation which presents profound imbalances, with areas of modern development which, as Rossitto said in his introductory report, "demonstrate economic vivacity and a tendency toward an increase in the produced income." These are not

just areas whose takeoff was promoted by foreign intervention--the "Adriatic road" or the Caserta way--but also and above all territories where development was possible due to the upgrading of local resources! This is true of Metapontino, the irrigated areas in Puglia and Campania, and the southern strip of Sicily. But this likewise is a contradictory processes which introduces further imbalances that, on a local scale, repeat the tie-in between advanced and backward areas. Not all of the wealth produced is reinvested; instead it is used to eliminate the bank deposits, swept away by foreign economic forces. Besides, the development of some areas often takes place at the expense of neighboring areas which later on decline. How did the major industrial concentrations in the South evolve in this new situation?

On that score, the tone of remarks was almost unanimous, pointing to the crisis of those industrial establishments where the hopes of public intervention had been concentrated. This is true above all regarding the chemical industry, a sector which, as Vigevani recalled, has a specific southern slant and where the current difficulties are so serious as greatly to weaken, in the establishments in the South, the commitment to the demand topics which mobilized the category, also recently, in the North. These difficulties involve not only action regarding the organization of work or control over investments; they also include the relationship with a stratum, the stratum of technicians which--as Vigevani said--engage in politics in the South and whose aspirations do not simply boil down to their work in the factories and with whom the Christian Democrats are managing to achieve real success in membership recruiting. But that is not the only aspect; there is also the need for a general rearrangement of the sector which would wrest the control levers from the "boss race"--in other words, a step that would outline the prospects for conversion. In this sense, the chemical industry--as Rossitto underscored in his conclusions--is a big national issue.

With all of the waste that may have been caused there, these concentration points did constitute a rallying place for the southern working class, that is to say, that force which, during the highest moments of labor union struggle during the decade, turned out to be the moving force for a social bloc working toward transformation. But, over these past several years, many of the protagonists of this bloc have changed. This is mostly the consequence of processes of urban growth which--as Trentin put it--must be viewed as the tip of an iceberg consisting of a profound underground movement in the labor market.

The area of wage labor has grown; but, due to the action of the government, that expansion has brought the proliferation of hybrid shapes. In other words, we are no longer dealing here with the seasonal farm laborer and the unemployed individual in the classical sense. Here the failures of the labor union are obvious; here we were slow in defending structures that were modelled on the needs of protagonists which have now disappeared; except perhaps for getting rid of the corporativization of the new social,

marked, "organizational" figures of the welfare state. This is where, in substance, the relationship with the unemployed falls down.

New subjects, therefore, new social figures to be committed to the battle for development planning. And this matter of economic planning, in substance, involved the role around which the entire discussion revolved, although from different positions.

The identification of the economic planning method as an instrument for resolving the southern issue emerged precisely at the start of the seventies. But it did so with difficulty. Reviewing the phases of struggle for reforms, spreading from 1969 until 1971, Trentin talked about a relationship with the state which today is still "a valuable example not to be followed" because it presaged a kind of corporative management of the economy. The error came from the fact that one did not fully grasp the connection which the wage contract struggles in 1969--even with their shortcomings on the agricultural and the southern fronts--created, in their intrinsic political nature, between initiative on the organization of work and the demand for a different placement and structure of investments. Here as a matter of fact is where the first outlines of a worker blueprint emerged. But this link, which was not noticed, instead caused the labor union to embark upon a different road, the road of "social wage," of defense against the "vendettas of the system," as part of a concept of struggle for reforms, in other words, as a mere prolongation of the sense of the new pay gained in the factory. This is a concept which, even in the major mobilizations of that time, prevented the unification of the front of alliances that had been set in motion, it contained the sin of sectorialism, and it barred the road--as was evident in the recovery of the right in recent years--to the neutralization of the interest in it among the middle strata of society. The demonstration in Reggio Calabria in October 1972 from that viewpoint marked a turning point; and it was not just by chance that, in this context, in the South, regional summit meetings were held, while the metalworkers launched a summit meeting with the Government participations on investments and employment in the South. After Reggio, however, the new road was not being followed with determination. When the most obvious signs of the crisis were manifest, there was no awareness that the escape from southern underdevelopment involved a capacity to take over the key centers of economic power, the reform of State participations and the special action system, in the final analysis, for the sake of the reform of the state. It meant reaching the level of the state; as far as Trentin is concerned, this is another failure of the labor union; and here, during the period of 1976-1979--running into the real limitations of the action of Eur [labor union headquarters]--it balked "like a horse that refuses to take a jump."

But how does the state really look in the South? We know that an entire power system has been built up in the South around special action; a social bloc has grown up which, on the level of local social-political systems, has built up--as Donolo told us--real and proper "parallel governments."

Now, the question is not only to request more funds; the question is to break out of the platform-contract negotiations-struggle pattern, as Bolaffi observed, taking over the decision-making terrain. And the quality of this takeover is also at issue: this is the link today for a unity that is not merely based on solidarity with the working class in the North.

We are dealing here with a struggle for planned development which would mobilize the protagonism of the old and new subjects of change who are present in the South. Without that we would really run the risk of wasting the originality of a unique experience in the capitalist West.

5058

CSO:3104

CISL ORGAN ANALYZES RESULTS OF MEMBERSHIP DRIVE

Rome CONQUISTE DEL LAVORO in Italian 21 Jan 80 pp 8-9

[Article by Carlo Lami: "The Statistics for 1979"]

[Text] The data following the closing of the 1979 membership recruiting drive, as shown in the two tables for the worker categories and the regions, are provisional; we are now comparing the figures with the various structures and we do not have final figures for Fisba and the Federation of Retirees. Regarding these categories, we can therefore anticipate some by no means marginal changes in the increase.

Today, however, the members of the CISL [Italian Confederation of Labor Unions] reveal an increase over the preceding year (up 0.87 percent), thus, at least as far as we are concerned, denying an insinuation frequently expressed in public opinion as to a "decline" of the labor union movement, particularly in those sectors where the penetration effort made by the so-called "autonomous union" has been more powerful.

We certainly have an organizational growth rate here which is far from the level we recorded during the years from 1968 until 1976. But it is no mean achievement to hold positions everywhere and to strengthen organizations in areas and sectors which are particularly significant regarding the economic and social problems with which the labor union movement is daily called upon to grapple.

In order better to understand these points, we might quickly look at an analysis of the statistics, broken down by sector and category groups.

The industry sector. After the slight dip in 1978 (down 0.16 percent), we have had an average increase of 0.84 percent here.

With respect to the individual categories, the figures show a rather minor drop for the chemical workers (down 3.52 percent), the printing industry workers (down 2.71 percent), the textile workers (down 0.99 percent), and the electrical workers (down 4.22 percent); for the first three of these, this decline is certainly traceable to the difficulties deriving from production reorganization and conversion processes.

It is more difficult to interpret the drop in membership reported by Flael, although this can be partly blamed on the limited turnover by ENEL [National Electric Power Agency] and the block of takeovers in enterprises under municipal control.

The biggest drop among the chemical workers was recorded in Lombardy (down 7.35 percent), while the textile workers declined in the North (down 1.92 percent) and increased in the Center (up 2.77 percent) and the South (up 3.91 percent).

Other categories in this sector on the other hand are on the increase: FIM went up 0.73 percent with significant peaks in Turin (up 7.17 percent) and Milan (up 1.89 percent).

Fillica (up 2.96 percent) and Fulpia (up 7.21 percent) registered the biggest increases in the South and among the seasonal and occasional laborers. The Fillica increase in the South as a matter of fact came to 5.20 percent while Fulpia recorded its greatest increase in Campania (up 31.37 percent).

Regarding the agricultural sectors, for the reasons given in the introduction, we cannot come up with any objective comparisons relative to Fisba, although we would not be far off in anticipating that the positions gained last year will be substantially held.

Federcoltivatori is certainly on the rise; with a nationwide increase of 4.22 percent, it made up for the losses it suffered in 1979 and it grew significantly in the North (up 19.10 percent).

In the public administration sector, the greatest increases were recorded by the federations of workers in the local post office branches and offices (up 6.8 percent), local entities (up 3.15 percent), and semigovernment (up 2.74 percent).

Overall, the sector increased by 1.71 percent which shows that our presence was not weakened by the offensive but was broadly sustained by the helpful campaigns of the mass media, launched by so-called autonomous labor unionism.

The same can be said for Federscuola where the losses, especially of occasional employees, of Sinascel (down 1.32 percent) were more than made up for by the increase in the middle schools (up 2.46 percent) and the universities (up 2.37 percent).

The most significant figure regarding the capacity of the labor union movement to hold on to its positions we can record in the sector of transportation workers, at least as far as the CISL is concerned.

An overall sector increase of 2.72 percent is as a matter of fact paralleled by even more outstanding increases in the two categories which, more than

any other, had to face the offensive launched--also through forms of struggle which are more than debatable--not only by the autonomous corporate labor unions but also by the so-called "fighting committees."

We will now take a look at the Railroad Worker Union and the Aviation Employee Union who registered, respectively, an increase of 11.86 percent and 4.52 percent.

In the service sector (up 1.21 percent) we must note the increase recorded by Fisascat (up 2.49 percent) and the Federation of Banking Employees (up 2.61 percent) which continued to grow constantly for almost five years.

Looking at the Federation of Retirees, the increase recorded today is 3.31 percent and it might as a matter of fact more than double provided there is a politically well-timed solution for the problem pertaining to the something like 20,000 delegations which, in our federation's opinion, were presented within the deadlines established but which, according to the INPS [National Social Security Institute] were not complied with. This brings up the need for an even greater commitment on the part of the entire organization to step up its presence among retired workers not only because the labor union membership recruiting rate is extremely low--something less than an estimated 15 percent--but also because the maximum involvement of the old people in the labor union is essential. It should be noted that our presence among the retirees in the major metropolitan areas is poor if not downright irrelevant, that is to say, in the metropolitan areas where, more than anywhere else, there is a perverse process of isolation of the old people and their social sidelining in progress.

Regarding the territorial structures, the incomplete data from some categories prevent us from coming up with an accurate analysis right now. Looking at the major territorial areas, the increase here is generalized with a higher rate in the South (up 1.49 percent).

The data, broken down for the individual regional units, indicate a slight drop in Lombardy (down 0.21 percent), a more marked decline in Sardinia (down 1.14 percent), undoubtedly tied in with the serious employment crisis on that island, while we will need special study and comparative analysis for the membership recruiting data from the other organizations with respect to the rather modest downturn which simultaneously--after years of positive results--involved three regions which are symptomatic of the difficulties which the CISL has always experienced, that is, Emilia, Tuscany, and Umbria.

All of the other regional units are increasing and, confining ourselves only to those with more than 100,000 members, the greatest growth rates were registered in Calabria (up 3.27 percent), Campania (up 2.96 percent), Piedmont (up 2.05 percent), and Veneto (up 1.54 percent).

Once we have final data for our recruiting drive and for that of the other labor union organizations, we will definitely have to go into a careful analysis of the problem in all of our structures.

But the overall picture which we have been able to work out here--incomplete though it may be--can be advantageously used for the debate in the Fourth National Cadre Assembly. We will come back to this point in greater detail when the data are final.

Table 1. 1979 Membership Recruiting Data (Provisional) by Regions and Areas

	<u>1978</u>	<u>1979</u>	<u>Diff.</u>	<u>%</u>
Piedmont	178,790	182,447	+ 3,657	+ 2.05
Val d'Aosta	7,201	7,248	+ 47	+ 0.65
Liguria	92,089	92,511	+ 422	+ 0.46
Lombardy	547,112	545,962	+ 1,150	- 0.21
Friuli Venezia Giulia	79,190	80,406	+ 1,216	+ 1.54
Trentino Alto Adige	40,496	41,417	+ 921	+ 2.27
Veneto	294,714	299,414	+ 4,700	+ 1.59
Emilia Romagna	162,617	161,512	- 1,105	- 0.68
Northern Sector	1,402,209	1,410,917	+ 8,708	+ 0.62
Tuscany	141,281	139,837	- 1,444	- 1.02
Marche	81,651	82,605	+ 954	+ 1.17
Umbria	46,013	45,849	- 164	- 0.36
Lazio	197,233	198,396	+ 1,163	+ 0.59
Abruzzo	51,132	51,576	+ 444	+ 0.87
Molise	13,323	14,493	+ 1,170	+ 8.78
Central Sector	560,633	532,752	+ 2,119	+ 0.40
Campania	210,603	216,839	+ 6,236	+ 2.96
Puglia	229,430	232,025	+ 2,595	+ 1.13
Lucania	33,511	33,752	+ 241	+ 0.72
Calabria	110,977	114,610	+ 3,633	+ 3.27
Sicily	263,934	266,179	+ 2,245	+ 0.23
Sardinia	87,440	86,447	- 993	- 1.14
Southern Sector	935,895	949,852	+ 13,957	+ 1.49
Totals	2,868,737	2,893,555	+ 24,818	+ 0.87

Table 2. 1979 Membership Recruiting Data (Provisional), by Categories and Sectors

Category	1978	1979	Diff.	%
Industry Sector				
Fulpia	53,815	57,693	+ 3,878	+ 7.21
Federchimici	132,331	127,671	- 4,660	- 3.52
Filca	202,529	208,531	+ 6,002	+ 2.96
Flaei	47,396	45,398	- 1,998	- 4.22
Federenergia	20,364	20,951	+ 587	+ 2.88
Fim	327,718	330,122	+ 2,404	+ 0.73
Federlibro	40,709	39,606	- 1,103	- 2.71
Filta	171,030	169,343	- 1,697	- 0.99
Sector Total	995,892	999,315	+ 3,423	+ 0.84
Agriculture Sector				
Fisba (1)	423,013	415,428	- 7,585	- 1.79
Federcoltivatori	69,548	72,484	+ 2,936	+ 4.22
Sector Total	492,561	487,912	- 4,649	- 0.94
Public Administration Sector				
Fidel	144,671	149,224	+ 4,553	+ 3.15
Fiso	124,945	125,090	+ 145	+ 0.12
Federpubblici	60,525	62,122	+ 1,597	+ 2.64
Fils	52,064	52,068	+ 4	+ 0.01
Silp	38,154	37,710	- 444	- 1.16
Silulap	52,095	55,223	+ 3,128	+ 6.00
Silts	6,235	5,885	- 350	- 5.61
Government Monopoly	6,063	5,720	- 343	- 5.66
Sector Total	484,752	493,042	+ 8,290	+ 1.71
School Sector				
Sinascel	114,773	113,258	- 1,515	- 1.32
Sism	60,594	62,086	+ 1,492	+ 2.46
University	9,489	9,714	+ 225	+ 2.37
Sector Total	184,856	185,058	+ 202	+ 0.10
Transportation Sector				
Saufi	33,318	37,271	+ 3,953	+ 11.86
Fenlai	40,593	40,659	+ 66	+ 0.16
Film	11,950	11,986	+ 36	+ 0.30
Filtat	47,563	48,332	+ 769	+ 1.62
Filac	5,642	5,897	+ 255	+ 4.52
Pesca	2,467	1,578	- 889	- 36.04
Filp	5,694	5,514	- 180	- 3.16
Sector Total	147,227	151,237	+ 4,010	+ 2.72

[Table continued on following page]

<u>Category</u>	<u>1978</u>	<u>1979</u>	<u>Diff.</u>	<u>%</u>
Service Sector				
Fisascat	95,842	98,230	+ 2,388	+ 2.49
Fivag	7,019	6,726	- 293	- 4.17
Fib	47,245	48,477	+ 1,232	+ 2.61
Fila	7,475	6,736	- 739	- 9.89
Silte	16,214	16,022	- 192	- 0.12
Fuls	8,642	8,471	- 171	- 1.98
Sector Total	182,437	184,662	+ 2,225	+ 1.21
Miscellaneous Activity Sector				
Fapi	2,025	657	- 1,368	- 67.56
Artisti (ex Siaba)		391	+ 391	+ 100.00
Sidosf	339	338	- 1	- 0.29
Chamber and Senate Employees	439	331	- 108	- 25.00
Embassy employees	439	329	- 110	- 25.06
Sector Total	3,242	2,046	- 1,196	- 36.89
Retirees (2)	377,770	390,283	+ 12,513	+ 3.31
Grand Total (3)	2,868,737	2,893,555	+ 24,818	+ 0.87

1. Fisba; data for this federation are incomplete since the membership recruiting drive closes on 31 January.
2. FNP--data from this federation are liable to change upward after the meetings now in progress with the INPS.
3. Grand total--the total number of members will also show upward variations as soon as we have final statistics; there are good reasons for saying that the total increase will be around 40,000 according to current indications.

5058

CSO: 3104

CISL ANALYZES REGIONAL, FUNCTIONAL MAKE-UP OF MEMBERSHIP

Rome CONQUISTE DEL LAVORO in Italian 21 Jan 80 pp 8, 9

[Article by Emanuela Di Filippo: "Let Us See Who the CISL Union Cadres Are"]

[Text] The search for full-time cadres, promoted by the organizational sector of the Confederation, springs from the awareness that the labor union apparatus today exerts full influence on the determination of demand policies and the daily handling of labor union action.

The expansion of the apparatus causes new problems within the labor union, such as the identification of forms of democratic control over decisions, of verification of apparatus activities, and of the representation of the apparatus in dealing with the rank and file.

This type of initiative, or other similar efforts, are being interpreted as a sign of the readiness of the Italian labor union movement and particularly the CISL to engage in self-reflection and self-analysis.

This is precisely why this survey does not seek to provide immediate instruments for public action; instead it seeks to provide backup support for an organizational policy which must be based on a series of precise and well-organized facts and figures on cadres.

In this sense, the search has neither the objective of being a "action-research effort"--that is to say, an initiative which tends immediately to change the political-organizational reality--nor a simple statistical survey; on the contrary, it has set itself the goal of stimulating--in this way likewise--an in-depth collective reflection on the problems which are generally "thought about" inside the union and which are handled by the various specialists.

The main topic of this search therefore was to respond to the question as to "who is" the labor union worker; in other terms, the objective of this study is the full-time labor union worker with political and technical functions paid by the structure and/or detached from the place of work. Later on we will look at other aspects of this search.

To classify the various full-time labor union figures present in the organization, we used the following distinctions:

Political worker with elective secretarial post: these are the confederation secretaries, the regional labor union secretaries-general, the regional labor union secretaries, the provincial labor union secretaries-general, the provincial labor union secretaries, the national worker category secretaries-general, the national worker category secretaries, the regional category executive secretaries, the regional secretariat coordinating secretaries, the provincial category executive secretaries, the provincial category secretariat member;

Political worker without elective secretariat post: these are the executive secretary of the local labor union, the labor union zone executive secretary, the community labor union executive secretary, the horizontal liason worker, the category worker, and the inter-category worker;

Technical-administrative worker: here we have the vertical technical workers and the horizontal technical worker.

Distribution of Apparatus by Territory and Categories

Overall, there are 5,140 cadres in the CISL of whom 3,979 are full-time; according to the checks which we performed region by region, this latter figure represents about 90 percent of the total number of workers. Of that number, 3,258 (82 percent) are in the political apparatus (2,127 also hold secretarial posts) and 721 (18 percent) are technical-administrative workers.

Looking at their territorial distribution, we find that they are mostly concentrated in the North with 50 percent, in the center with 27 percent, and in the South with only about 20 percent.

On a national level, the ratio between members and political apparatus (see Table 1) shows that the CISL has one full-time political cadre for

every 880 members. But in terms of geographical areas, this ratio in the North looks similar to the national average; in the South it drops (considering the influence exerted by Lazio and therefore by Rome on the average for this geographic area); in the South it reaches higher levels. This figure is interpreted as having to do, among other factors, with the presence of the South, more than elsewhere, in the Fiaba category which, as we shall see better later on, reveals a high ratio between apparatus and members (one political worker for 2,356 members).

Table 1. Full-Time Workers by Region of Assignment

Members/Apparatus	Members		Apparatus		Apparatus/ members
	Absolute figure	%	Absolute figure	%	Absolute figure
Piedmont	178,790	6.2	245	7.5	729
Aosta	7,201	0.3	7	0.2	1,028
Liguria	92,089	3.2	120	3.7	767
Lombardy	547,112	19.0	533	16.4	1,026
Trentino Alto Adige	40,496	1.4	45	1.4	899
Veneto	294,714	10.3	341	10.5	864
Friuli Venezia G.	79,190	2.8	87	2.7	910
Emilia Romagna	162,617	5.6	337	10.3	482
Marche	81,651	2.8	105	3.2	777
Tuscany	141,281	4.9	199	6.1	709
Umbria	46,013	1.6	66	2.0	697
Lazio	197,233	6.9	450	13.8	438
Abruzzi	51,132	1.8	48	1.5	1,065
Molise	13,323	0.5	11	0.3	1,211
Basilicata	33,511	1.2	43	1.3	779
Campania	210,603	7.3	186	5.7	1,132
Calabria	110,977	3.9	69	2.1	1,608
Puglie	229,430	8.0	130	4.0	1,764
Sicily	263,934	9.2	165	5.1	1,599
Sardinia	87,440	3.1	71	2.2	1,231
Total	2,868,737	100.0	3,258	100.0	880

Table 2. Full-Time Workers, by Labor Union Function and Sex

Sex	M		F		MF	
	Absolute figure	%	Absolute figure	%	Absolute figure	%
Function						
Worker holding elec- tive post	2,040	95.9	87	4.1	2,127	100
Worker holding non- elective post	1,020	90.2	111	9.8	1,131	100
Technical- administrative worker	157	21.7	564	78.3	721	100
Totals, absolute figures	3,217	80.8	762	19.2	3,979	100

Another important figure pertains to the different organizational and political weight of the vertical and horizontal structures in the CISL; the former account for 70 percent while the latter account for 30 percent (see Table 6). This distribution is rather close to the one we find in the CGIL (71.8 percent and 28.2 percent, respectively) and in the UIL [Italian Union of Labor] (70.8 percent and 29.2 percent).

This homogeneous distribution does point to the process of vertical development which took place within the three confederations starting during the sixties; it is a favorable prerequisite for the organizational reform currently in progress in the Italian labor unions and, as we know, it tends to assign greater significance to territorial action.

On the category level, the ratio between full-time cadres and members (see Table 3) enables us to consider two major points: first of all, the different presence of the political workers in the main sectors of economic activity (more than 50 percent in the industrial sector, while it remains around 9 percent in agriculture, 23 percent in the tertiary public sector, and 14 percent in the private sector); secondly, we have the different ratio in the categories between cadres and members with respect to the general average which--realizing that we are not considering the horizontal structures here--is one worker for every 1.25 members.

Table 3. Full-Time Workers Per Category of Assignment

Economic activity sector	Members		Political apparatus		Political apparatus/ members
	Absolute figure	%	Absolute figure	%	
Agriculture	492,561	17.2	209	9.1	2,356
Industry	995,892	34.7	1,171	51.5	850
Tertiary public	703,265	24.5	533	23.4	1,319
Tertiary private	298,371	10.4	317	13.9	941
Retirees	377,770	13.2	48	2.1	7,870
Totals	2,867,859	100.0	2,278	100.0	1,258

Among economic activity sectors, industry presents the most favorable ratio between cadres and members (850); the industrial sector accounts for 1/3 of the total membership whereas it comes to more than 50 percent for the total political apparatus. This is attributed to the type of organizational policy pursued and to the peculiarity of the "job" which the labor union is doing in this sector; this is a job which is explained above all in terms of well-organized contract negotiations. Regarding the problem which was broached as part of the labor union debate--relative to the role and presence of women in the labor unions--our survey, concerned with a purely quantitative and descriptive approach, brought out important phenomena showing that the women were rather side-tracked. In this

connection the analysis in Table 2 should suffice for us. On the whole, out of the entire apparatus, women account for only 20 percent and their presence, in absolute and percentage figures, is concentrated in technical and administrative functions whereas it is minimal in political functions (6 percent).

Social-Occupational Makeup of Workers

The ever greater significance assumed by labor union cadres in recent years attracted growing attention to the problems involving the social characteristics of the union workers.

In the CISL, more than 50 percent of the full-time apparatus (political and technical) are concentrated in the age group between 26 and 40.

Table 5 illustrates the distribution of political cadres in the confederations, by age groups, and suggests numerous interpretations.

The age group most heavily represented in that table is between 26 and 35; compared to the other confederations, the CGIL at the same time employs younger and older personnel, that is to say, personnel in the extreme age groups (up to 35 and after 65); the CISL is the confederation presenting the most uniform distribution among the various age groups.

Another indicator, whose significance we are checking into here, is the highest level of education attained. Data available to us indicate that the level of formal education in the CISL is rather high. More than 50 percent of the workers have a senior high school or bachelor's degree. Breaking the figures down further, the political workers are concentrated on the highest levels of education while, generally speaking, political workers holding elective posts have a lower level of formal education than political workers not holding elective posts. The technical-administrative workers are concentrated in the spread of mandatory high school education and this is explained if we consider the mechanisms by which these workers are recruited and the jobs they do in the labor union organization as such.

The statistics actually revise the current opinion according to which the average labor unionist has a rather low level of education; but, considering the type of education provided in the schools, this does not by itself guarantee an adequate capacity to interpret the changes in progress, in society, and within the economic phenomena generating them. The social origin of the workers was examined through an analysis of the job held by the father; during the fifties, the social origin was 53% middle-class, white-collar employees, and self-employed workers. The situation changed in the sixties: at that time the social origin shifted significantly in favor of the working class (48 percent).

Table 4. Full-Time Workers, by Education Level and Union Function

Union function	Workers with elective secretarial posts				Political work- ers without elective posts				Technical- administrative workers				Total
	Education level	Absolute figure	%	Absolute figure	%	Absolute figure	%	Absolute figure	%	Absolute figure	%	Absolute figure	%
	Elementary school	184	8.7	73	6.5	40	5.5	297	7.5				
	Mandatory high school	802	37.7	403	35.7	347	48.2	1,552	39.1				
	Senior high school	893	42.0	501	44.3	313	43.4	1,707	42.9				
	University	247	11.6	153	13.5	21	2.9	421	10.5				
	Total	2,216	100.0	1,130	100.0	721	100.0	3,977	100.0				

Table 5. Distribution by Age Groups in CGIL, CISL and UIL

Age groups	CGIL	CISL	UIL
Up to 25	7.3	5.3	12.0
26-35	40.1	37.8	33.0
36-45	26.6	33.8	35.0
46-55	17.3	16.9	17.0
Over 55	8.7	6.2	3.0
	100.0	100.0	100.0

Table 6. Full-Time Workers Per Structure of Assignment and Labor Union Function (Absolute Figures)

<u>Function/structure</u>	<u>Workers with elective secretarial posts</u>	<u>Nonelective political workers</u>	<u>Technical- administrative workers</u>	<u>Total</u>
Confederation	12	62	86	160
Regional	57	23	30	110
Provincial	359	166	239	764
Local	5	14	5	24
Zonal	14	227	47	288
National categories	159	63	93	315
Regional categories	197	25	23	245
Provincial categories	1,252	365	186	1,803
Local categories	8	24	3	35
Zonal categories	46	139	7	192
Inas	16	8	-	24
Other entities	1	5	1	7
Intercategory workers	1	10	1	12
Totals	2,127	1,131	721	3,979

During the seventies we have a certain homogeneity of origin between the middle class (50%, approximately) and the working class (45%). The occupation of the worker at the moment he becomes a full-time specialist in the labor union organization helps us in pinning down the social-economic recruitment field of the militants. The areas of origin vary considerably during the different historical periods of time and fully confirm once again the tendencies which already emerged from the analysis on the father's occupation. During the fifties, as a matter of fact, the white-collar component prevailed, while thereafter (during the sixties) there was a considerable increase in the worker component.

The situation changes even more in favor of white-collar employees starting with 1970, although labor unionists coming from the working class reveal percentage figures higher than those of the fifties. This development is understandable if we take into account the way in which the CISL was born and the way it grew within the Italian labor union system. As a matter of fact, the labor union's recruiting mechanism in the white-collar group or in the working class reflects the political and social climate of the periods considered and the organizational policy decisions made.

Worker's Place in Organization

Another fundamental element emerging from this research project is the large number of cadres who joined the CISL over the past 10 years. As a matter of fact, more than 75 percent of the organization's political and

technical personnel entered after 1969. The organizational sectors most heavily affected by these changes are the political, nonelective and the technical-administrative sector. It is also significant that leaders holding elective posts are to the extent of about two-thirds militants who joined over the past 10 years.

One element which completes the picture drawn here involves the relationships assumed by the workers with the parties and/or associations. Before joining the organization, a little more than 60 percent had association relationships; within this percentage figure, membership in the political parties was rather low.

At the time the labor union cadre becomes a full-time worker, he maintains political and/or association relationships initiated earlier in most cases (80 percent). Looking at current association relationships, especially regarding the leaders, there is however a tendency to give preference to relations with political parties. It is however true that there are many in the CISL who do not belong to any type of political or associative organization (about 25 percent).

This, as a matter of fact, increases our interest in the question as to labor union training. The survey shows that almost 30 percent of the political apparatus did not get any labor union training at all. Among those who did attend labor union training courses, the majority (28 percent) is represented by persons who attended only one course.

Among the technical-administrative workers, almost 90 percent did not go through any kind of training. This gap in the utilization of labor union training among political and technical workers as a matter of fact creates some problems as to the functioning of the labor union machinery as such.

The picture drawn so far presents the initial, still partial data from the research on full-time workers. It is obvious that, to get better knowledge of the state of the organization, it is necessary to develop a more precise and more articulated interpretation of the data we have to continue the survey on topics and figures so far insufficiently analyzed within the union. It seems to us that this is a very concrete way to promote and stimulate greater participation and debate on organizational problems on all levels.

But even with these limitations, the results of the survey can be useful in order to launch--on all levels and also through training courses--a process of self-reflection on the labor union worker and on his role within the organization.

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CSO:3104

CGIL, LNC PUBLISH POSITIONS DOCUMENT ON NATIONAL CRISES

Rome RASSEGNA SINDACALE in Italian 31 Jan 80 pp 38-42

[Text] We are publishing here the text of the document approved at the end of the meeting that was held at the end of December between the CGIL secretariat and the office of the president of the League of Cooperatives. The meeting was chaired by CGIL Secretary-General Luciano Lama and by Assistant Secretary-General Agostino Marianetti, by League President Onelio Prandini and Vice President Umberto Dragone; it marked the end of intensive consultations. The joint document is preceded by statements by Luciano Lama and Onelio Prandini.

Statement by CGIL Secretary-General Luciano Lama

"The document of the CGIL and the League of Cooperatives on the country's economic and social crisis not only provides continuity for the common and convergent initiatives deriving from the basic choices of the two organizations but is also a contribution to the rally of forces committed to the restoration and renewal of Italy. It therefore constitutes an example to follow in terms of specific objectives and desires which, in the full awareness of the seriousness of the economic and political crisis, rendered even more acute by energy shortages and by the continued operation of a government that is simply not up to its daily tasks, advances proposals and decides on initiatives in order to achieve a positive outcome.

"The appeal which the united federation has issued in the steering committee and in the course of the general strike to the political parties and forces moves in this direction. We are asked to put aside ideological differences --which may find justification in a democratic society just the same-- in order with a united will and common program to face the emergency and to give the country a representative government.

"But there is more. The wishes of the CGIL and the League forcefully stress the need for changing and building a society of participation, a democratic and pluralist society. This is why we are going to promote all experiments which, within the context of broader democracy, persuade the workers directly to handle economic and social activities, free of the confusion of corporative and speculative interests. Cooperation--as

experience tells us--born in the labor union movement can today be committed to decisive sectors in order to recover resources and to improve the quality of life. This is particularly necessary in the South, in agriculture, in housing construction, in social services, in information and cultural services, and for the valid use of spare time, to determine that widespread spirit of enterprise which along with participation brings us employment, creativity, and the efficient use of resources.

"We believe that the united federation made up of CGIL, CISL [Italian Confederation of Labor Unions], and UIL [Italian Union of Labor], and the three cooperative organization headquarters can and must commit themselves to find an understanding so as to build initiatives which, in a creative way likewise, will come to grips with all of the big current issues of economic development, of the socialization of rights, and of economic democracy.

"With this document and with the specific sector aspects, we want to supply all of our organizations with indications as to their commitment to a confrontation which will find their specific area of development in the regions, in the categories, and in the sectors. The regional congresses of the CGIL, which are now in progress, must also constitute an occasion for reflections and proposals as to work on these topics."

Statement by Onelio Prandini, President, National League of Cooperatives and Mutual Aid Societies

"Italy needs a government that will govern. Naturally, it needs a democratic government which will govern in a democratic fashion. The clear anti-popular nature of the various attempts made in the past to move Italy toward authoritarianism is uppermost in the awareness of the vast masses of citizens who will not tolerate and never did accept such adventures.

"Governing in a democratic way however means, under current conditions, governing in a new way. In other words, it means coming to grips with the crucial point which the crisis has in store for Italy, that is to say, the crucial points of converting the economy, in relation to the needs, not only immediate needs, needs of the people, as well as modifications in international economic relations; crucial points relating to the development of production, plant and national as well as social productivity, the growth and improvement of employment along a line of full utilization of national resources, beginning with the labor force; the crucial point involving the increase in the capacity and control power of the productive social strata over process of production and work organization; the crucial point involving the quality and efficiency of services which so largely influenced the quality of life.

"In other words, we must have the capacity and the determination with courage to tackle the country's problems through a policy of change, development, and reforms which will be sustained by very broad popular support.

"We began a survey of relations and possibilities of understanding, together with the CGIL, between the labor union movement and the cooperative movement, gearing it to those major problems on whose solution depends the country's future; we have arrived at the initial conclusion contained in the joint document which we are publishing here.

"A policy of renewal and development--which is an urgent necessity and which the cooperative movement and the League support--can be carried out only with the help of a broad reform-oriented alliance which will bring a gathering of different and diverse social and political forces: those represented by the vast democratic mass organizations, by the system of self-managed enterprises, by private enterprise and public enterprise, capable of assuming a new role, and by the masses of intellectuals and technicians.

"The understanding between the League and the CGIL turns out to be a significant contribution to the analysis, ideas, and proposals along these lines and also an expression of the desire to make a response in that direction which will be in keeping with the urgency of the times. Our position here is based not only, as is obvious, on the reciprocal confirmation of the role of the labor unions in the processes of democratic society's development, affirmation in up-to-date terms, and certain unexpected aspects, and the role which must be given to cooperation as an irreplaceable factor in the democratic setup of society and as a big self-managed sector of the economy.

"We now need to continue and develop the confrontation in depth, involving the entire labor union and cooperative lineup on the general questions and on the specific problems as we proposed to do from the very beginning. Above all--and this must be emphasized--we must do this by translating the indications and proposals which we have drafted together into unity-oriented initiatives, in the sectors and in the regions, particularly in the South and among the young people but also in the major regions of the North."

The Document

1. The rapid aggravation of the economic and social crisis is accentuating the tensions running through Italian society. In the presence of a new inflationary surge there is a growing threat to the already low levels of employment, the living conditions of the vast masses are getting worse, the young people, the old people, and the economically less protected groups, those with low incomes, are particularly hard-hit. Particularly, there is the danger of starting uncontrollable processes of decomposition toward which points common and political criminal violence that threatens the very foundations of democratic coexistence and jeopardizes the republic's fate and future.

The tie-in between the economic aspects and the structural aspect of the crisis, in the country and internationally, emerges ever more obviously as

a consequence of the breakup of the equilibrium on which the industrialized countries have based their economic predominance.

2. In view of this situation, a government policy which runs between concessions to the worst inflationary trends, on the one hand, and demands from the corporations, on the other, turns out to be definitely inadequate and dangerous; this is a policy of rate increases and price controls, with an increase in the cost of money, credit restrictions, and the fact that, therefore, investments and production are held down, causing a situation of stagnation.

Inefficiency, failures, and contradictions aggravate the vast gap between the initiative of the government and the needs of the country which instead call for participation in the leadership of the country and for a unity-oriented commitment on the part of a broad range of forces capable of guaranteeing effective action and representing a broad basis of consensus.

3. Every attempt to tackle the crisis with old economic policies, based on savage reorganization, on a reduction in employment levels, on unrestrained employer control over factory operating procedures, the simultaneous reduction in wages and productive and social investments--such an attempt appears increasingly impracticable and incapable of launching planned development and promoting the necessary changes.

One of these prospects would entail further processes of monopolistic concentration and would penalize those enterprises which, although they are struggling with considerable difficulties, have demonstrated that they have the kind of flexibility that is indispensable in order to cope with the crisis.

The cooperative enterprises and the small and medium outfits which, utilizing their own peculiar characteristics, have made it possible to identify and concretely explore new ways--while safeguarding employment levels--toward the country's production reorganization, instead of being upgraded, would wind up suffering from indiscriminate restrictive political countermoves.

4. It is simply unthinkable to start the production mechanism up again and to enable it to offer lasting solutions of a general nature without profoundly changing the economic policy and government direction of the public institutions and without modifying the economic and government structures which, in a sense other than recovery and efficiency, also depend on the development of new levels of democratic participation in the management of production activities and services, the economy, and the state.

It is necessary to impart a decisive anti-inflationary thrust to the economic policy directives, based on the struggle against waste and an increase in productivity; it is necessary to launch urgent initiatives toward an industrial and agricultural production revival which could be further improved through the resumption of youth employment and with a new and different development for the South.

These choices must characterize Italy's commitment to Europe not only to prevent the Italian economy from being pushed to the sidelines but also to modify the general directions of the European community, particularly regarding agricultural and regional policies, and to orient them toward a new relationship with the developing countries.

In addition to these basic objectives we have the problems arising from an economic planning policy which must be democratic, regarding the reform objectives, as well as the instrumentation and forms of control. Here we come to the question of improving and promoting efficiency in public spending; the problem of the propulsive role which the state participation enterprises must assume; the problems of reorganizing enterprises and of production decentralization, of modernizing the entire service sector, both those directly connected to the production process and those involved in social and cultural matters.

5. These elements of choice are again encountered in the unity-oriented elaboration of the labor union movement and the line drafted by the EUR [Universal Exposition of Rome].

The understanding between the three cooperative organization headquarters are characterized by agreement on high level and significant objectives.

In launching its own 3-year development plan and in again confirming the priority commitment to the South at the recent conference in Naples, the National League of Cooperatives wanted furthermore to underscore the function of the self-managed cooperative enterprises leading to new growth and the overall action of the cooperative establishment as a great popular and democratic movement.

The CGIL and the League believe that--through a democratic debate on the various levels and in the various sectors and organizations--the labor union movement and the cooperative movement must find a way to put together their capacity for initiative both in the management field and in the field of mass mobilization, in order to help stop the processes of deterioration in the situation and the processes of collapse as well as to impose a substantial change in the ways and directions as to how to cope with the crisis, giving the respective policies greater incisiveness also by assuming broader responsibility.

This would make it possible to provide new vigor for the battle for economic planning by avoiding two risky alternatives: the alternative of indicating solutions which are so general as to have no effect on real processes; or the alternative of the pure quantitative strengthening of the demand regarding the public powers and economic power or pressure for the implementation of disjointed choices and decisions which are not consonant with a programming blueprint.

In the current situation, where we have no definite economic planning framework, the labor union movement and the cooperative movement must try

really to have an effect on the process involved in the crisis through production and social projects as well as projects aimed at the modernization of the infrastructure, projects which would mobilize specific resources and which would retain a clear reference to a broader design of renewal and reform.

The regional plans, the special action projects in the South, the sector plans, and particularly those in the service sector, must, as is partly happening already, become the object of specific common initiatives by the labor unions and the cooperative organization on the basis of understanding to be worked out both on the sector levels and in the regions.

With properly directed initiatives, they can give the signal for the change in direction to be instituted toward a coordinated and finalized solution of the problems themselves.

This will promote the get-together with all social and production forces interested in positively getting out of the crisis and it will create the conditions for a connection with the public enterprises in order to implement the great development projects, not only those already proposed, but others yet to be identified, thus providing a powerful push toward the implementation of programs especially in the South and imposing efficiency and speed in public spending at the central and regional levels.

The public powers, beginning with the government, must therefore fully recognize the cooperative sector as one of the protagonistic subjects of economic planning and of development policies, thus putting an end to the current unacceptable and even absurd exclusion from the places of confrontation and the decision-making regarding the action to be taken.

6. The promotion and growth of protagonistic social subjects, such as the cooperative movement, capable of affirming diversified ways of economic initiative and contributing to the creation of a more balanced economic system, go hand in hand with the demand of the labor union for the extension of social control and the advancement of economic democracy processes. The development of a vast self-managed sector in the economy thus emerges as a factor making for a stronger balance in the economic system and as a field for experimentation with new relationships within the enterprises.

This can become a grand guiding idea which will fit in as a factor and as an instrument for a new type of development and for more advanced social and democratic relationships.

It must make it possible to provide new elbow room for the struggle for the integral and efficient use of resources, the battle for employment, and in order positively to respond to the topic of "what to produce," opened in new terms by the economic crisis and by the new demands for the quality of life.

The finalization of the confrontation on the territorial level and within the cooperative enterprises, in keeping with these objectives, on the issues of work organization, occupational standing, and productivity can and must open up new and important ways in putting together a modern and advanced relationship between the workers and the enterprise, between the labor union and the cooperative movement--a topic on which the CGIL has begun a study of its own and where it has drafted initial proposals at its recent general council meeting.

It is necessary to prevent any crystallization of the figures of the employed laborer and the worker who is a partner in the cooperative enterprise. This is why the contract regulations must be applied not only in dealing with employed workers but also in dealing with workers who are partners and this is why it is necessary to develop a common policy which will pursue the conversion of all employed workers into partner-workers.

7. The CGIL and the National League of Cooperatives intend to promote a series of common or convergent initiatives, open to the entire labor union movement and the cooperative movement, which, while fully respecting their autonomy and specific functions, will seek vaster collaboration between the labor union and cooperative organizations, to be carried out in well-organized forms and on operative projects.

a. The common initiative aimed at the reform of cooperative legislation must assume great significance, through a specific and greater commitment on the part of the labor union, in conjunction with the recognition of the role of the cooperative movement in the country's economic and social setup. Here it is necessary to proceed to the renewed and effective improvement of Federconsorzi [Italian Federation of Agricultural Consortiums] and the return of a cooperative role to the agricultural consortiums.

b. In particular, the joint action of the labor union and the cooperative movement must be asserted in the battle for youth employment. The development of the cooperative movement must become a strategic tool in coping with the demand for a new quality in youth employment. It must represent a fundamental road for the utilization of the new labor forces for the sake of rationalization, modernization, and development of community services and socially useful activities. It is necessary, with new outlook and methods, to take up the question of the organizational setup for community services and public utilities, including the organizational setup for the public administration and the public services. The cooperative initiative, which involves vast youth labor forces, must be recognized as a fundamental structure in order to work toward basic modifications in this sector. In this sense, the cooperative reform law must be developed into a new instrument for the promotion of youth employment. Specific measures must be provided for vocational training, technical assistance, and the need of getting youth cooperatives started toward the real improvement of the current condition of apprenticeship.

c. Through increased planning capacities on the part of the cooperative movement and the labor union movement, it is possible and necessary to experiment with innovative and alternate solutions in the area of services, both those directly tied to production and those that are social, identifying points and ways of action which will make possible positively to intertwine the labor union demands and the capacity of the cooperative movement to join in and take action.

This is the angle from which one must view the problems of organizing systems of services in big cities and in areas with widespread industrialization (collective restoration, kindergartens, etc.) in order to work out a different organization of work activity and civilian life.

d. Special importance must be assigned to the creation and development of associative forms of usership and consumption, promoted in unison by the labor union movement and the cooperative movement, as facts of participation and, at the same time, as organizational tools to fight against processes of inflation and to improve the efficiency and general productivity of services.

e. The common initiative can and must make it possible, with a desire for research and experimentation, to tackle also the complex phenomena of production decentralization, which are substantially beyond any social control, in order once again, through associated forms, to propose the reassembly of production activities.

f. A fundamental role can be played in the Southern regions by a higher planning capacity on the part of the cooperative movement and the union.

The political proposal and the stiff confrontation with the southern region must lead to specific projects deriving from the general ones that were drafted directly or with the decisive help of cooperative enterprises, supported by the political commitment and the mass pressure of the labor union.

In specific terms, it is necessary to visualize a kind of joint intervention by the cooperative movement and the labor union which will break away from the research phase and move on the planning phase and to the implementation phase in order to stop the race toward the passive remainders of regional balance sheets and in order to turn the southern regions into as many strongpoints in a serious southern-oriented policy.

g. In the context of process of production conversion and development of the industrial and agricultural sectors, it is necessary to create the conditions for the expansion and consolidation of the presence of the cooperative movement in the various compartments and especially in industry connected with agriculture, in order to accentuate the processes of vertical development and to come up with positive responses to the relationship between agriculture and industry, in every sector where

the cooperative form can contribute to increasing the democratic spirit of enterprise and to expanding the production base.

It is necessary to promote coordinated initiatives on the European level, directed toward the European institutions and within the context of the respective international organizations to which they belong, both in order to assert the function of the European parliament and the permanent institutions of the Community, and in the area of modifying the general directives, as well as the upgrading of the role of social forces and the cooperative in the Community's policies.

8. The CGIL and the National League of Cooperatives are using these assumptions and proposals as foundation for the joint action policies of the cooperative movement and the labor union movement leading toward reflection and debate by both of these movements.

In particular, they invite their own territorial, regional, and worker category structures to commit themselves totally so that they may develop the unity-oriented confrontation and initiative on the basis of this general proposal, on the basis of specific sector contributions already drafted, and the unity-oriented understandings worked out in some regions.

Through effective organization of specific unity-oriented initiatives in the sectors and regions it is necessary forcefully to bring out the element of novelty in the developments within the economic and social situation which can represent the encounter between two big democratic mass movements, such as the labor union and the cooperative movement, the encounter between the levels of study and the capacity to fight, as expressed by the labor unions and the democratic maturity of the system of cooperative enterprises.

The objectives of the immediate commitment, overall, and the organizational tie-in, have been identified and have been proposed to the entire labor union movement and the cooperative movement through a series of documents of a sector character which at the same time constitute contributions to the debate, indications to be pursued further, and requests for unity-oriented initiative.

Here are some points which however emerge with particular urgency:

(a) In the context of a verification and a revival of the initiative in agriculture for the rapid definition and implementation of the national agricultural plan, through the execution of the "agricultural development law" and other planning laws, the labor union and the cooperative movement must immediately commit themselves to the following:

To the definition of the role of the regions in the regional agricultural plans, put together by sectors and zones, which would eliminate the deficiencies in the national plan, especially through the quantitative

expression of employment targets, the planning of production decisions, along with the consolidation and further development of cooperative experiences above all toward the full utilization--also in new forms--of public land and abandoned or poorly cultivated land;

The national and regional reorganization of producer markets and of wholesale markets for agricultural food products;

The revision of the community policy through a stiff confrontation with the institutions on the national and European level.

(b) Actions aimed at the necessary modifications and the acceleration of procedures aimed at the implementation of planning laws for housing construction and the commitment for specific extraordinary undertakings of vast dimensions, for certain areas and objectives, located primarily in the South, from the research to the planning phase, on to the completed realization of management objectives, with forms of collaboration which would associate cooperatives and public and private enterprises together.

(c) To make sure that the 400 billion remaining from Law 285, for youth employment, will be earmarked for production activities or for activities of a preeminently social interest in the South and that half of that sum be reserved for cooperative initiative.

(d) The implementation of programs and projects for the use of methane in the South for the sake of the restoration of big urban centers such as Naples and Palermo.

(e) The speedup in the reconstruction of the areas hit by the earthquake in Friuli.

(f) The establishment of a federated association for the defense of the consumers and action aimed at the modernization of the distribution system from the producer to the consumer.

(g) The joint commitment toward a united effort between the cooperative movement and public enterprises operating in the food sector which can derive an essential incentive from the unification of public enterprises in that sector.

(h) The commitment toward the desired passage of the law on the publishing industry, the completion of the final phases of the reform of RAI-TV [Italian Radio Broadcasting and Television Company], and the laws for the regulation of local and television broadcasting stations.

The following documents have been drafted by joint study groups on specific problems:

Problems of contract negotiations and aspects of labor union and cooperative movement action;

Youth employment;

Planning in agriculture and the agricultural-food plan;

Home-building, construction projects, and major infrastructure facility policy;

Service and organization of civilian life;

Price formation and consumer problems;

Information, cultural activities, tourism;

Problems of production decentralization; of home-work, and part-time work.

These are documents which must be examined and developed in depth.

9. The CGIL and the National League of Cooperatives believe that it is indispensable--for the sake of the broad involvement of militants and cadres in the debate and in the initiative--to proceed to a broad exchange of respective instruments of information, also through discussion forums and in-depth development of issues open to all contributions from inside and outside these two movements.

They submit for common reflection the possibility of providing a systematic character for forms of consultation on specific issues and significant problems of a regional or sector character while fully safeguarding their respective autonomy.

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CS0:3104

CGIL-CISL-UIL FEDERATION REPLIES TO CONFINDUSTRIA'S POSITION

Rome RASSEGNA SINLACALE in Italian 31 Jan 80 p 43

[Statement by L. Lama, P. Carniti, and G. Benvenuto, United CGIL-CISL-UIL Federation]

[Text] Rome, 22 Jan 80. In your document of 11 January you propose a confrontation primarily on the distribution policy as a consequence of the reasons for change springing from the oil and energy crisis.

Your essential conclusion is that the current distribution in terms of wages, consumption, investments, and profits is supposedly incompatible with the further development of accumulation, employment, and earnings.

Let us note first of all that this kind of analysis and assertion--based on rather summary indicators--leads to excessive simplifications with conclusions that have nothing to do with the real issues which, in our opinion, must be faced; above all, the indications proposed by you regarding revisions of the current distribution are based on solutions calling for one-sided sacrifices by the workers as compared to the economic gains and the social power which constitute a fact that cannot be maneuvered so as to be made to fit into any frame of reference.

It is not a coincidence that the document, which you have sent us, after starting with a rather narrow analysis of current difficulties, is designed to blame the advance of the process of inflation on the development of labor costs. It is significant in this connection that there is no clear commitment here on the part of Confindustria [General Confederation of Italian Industry] against the recurring and unjustified assumptions as to the devaluation of the lira.

We therefore want to announce our disagreement with your analysis of the country's economic situation and we reserve ourselves the right in this connection to present our analysis more completely in the course of a resumption of the confrontation which we hope will be possible.

Right now however we want to stress that raising the problem of a revision of the sliding scale system signifies not only the reduction of an

extraneous element with respect to the identification of the real causes of the Italian economy's structural crisis but also introducing an insurmountable obstacle for the opening of a productive confrontation.

In any case, we find that the document of 11 January overturns the meaning and the significance of the letter sent jointly by the United Federation and Confindustria to the government on the topic of energy policy. In that letter, the labor union federation intended and still intends to do everything that is possible--beyond any harmful policy--so that Italy will take some specific steps on the road toward a real national energy plan. While it is true that international difficulties in getting energy resources have a serious effect on Italy, it is also true that one cannot react to them only in terms of financial monetary or distributive adjustment.

Instead, it is necessary to make specific efforts from inside the national production system so as to push a determined commitment, aimed at rationalizing the use of available resources, defining the primary development targets, as well as goals aimed at decreasing energy dependence, as well as to provide maximum impetus for the search for new energy sources. Here we come to the need for acting upon the problem of improving public spending in order to prevent the continuation, in this sector, of a growing and unstoppable inflationary push, also as a consequence in the enlarged public deficit.

We remain convinced that, in this field, there can be a constructive and clear confrontation between the social parties which can and must provide a way out toward a common communication addressed to the government authorities.

We are furthermore convinced of the need to take a decisive step forward in the debate which has been underway for quite some time on the possible ways of reviving productivity, within the context of guidelines defined during the contract negotiations, starting with the enterprise levels, confirming the adjustment policy which we had an opportunity to spell out for you during the 8 January meeting. The invitation which we are sending therefore is intended to resume a confrontation which seems to us as urgent as it is indispensable, without in any way interfering with the topic of income distribution.

We therefore express our readiness to resume the confrontation on topics which turn out to be of outstanding common interest: energy policy and the economic frame of reference within which to orient the development of productivity of which we consider the active policy of labor to be a part.

We say this on the assumption that the demands for modifications in the current sliding scale system will be set aside, a system with respect to which the United Federation does not intend to open any confrontation, just as it does not think that it is possible to work toward a reduction in the real wages of the workers.

We furthermore consider it necessary, within the general outline given above, to devote adequate attention to fiscal and parafiscal policy aimed at achieving, under the difficult conditions we spelled out earlier, a more equitable distribution of income, above all in favor of the lowest-income levels and the poorest segments of the population. Finally we confirm our commitments toward the development of coherent company-based contract negotiations which would, in its particular content, take up the problems of work organization (especially with regard to the quality and seriousness of work) and the occupational and pay framework involved.

In this context we consider it essential that there be a confirmation as to the intention of your organization to guarantee implementation of the current rights on the topic of company-based contract negotiations, as well as the contract norms regulating the matter of working conditions as well as working hours on the company level.

We look forward to another meeting and we remain, sincerely yours,

The United Federation CGIL, CISL [Italian Confederation of Labor Unions],
UIL [Italian Union of Labor], L. Lama, P. Carniti, G. Benvenuto.

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CGIL ORGAN EDITORIALIZES ON EAST-WEST RIGIDITIES

Rome RASSEGNA SINDACALE in Italian 31 Jan 80 p 3, 4

[Article by Agostino Marianetti: "The Ill-Advised Race Toward Rigid Procedure"]

[Text] The signs and facts of a further deterioration in the international situation are now following each other at a frantic rate. A negative spiral with unforeseeable outcome seems to have been started. Meetings between heads of state are interrupted; economic and diplomatic relations are being blocked or reduced; the questions as to the Olympic Games in Moscow are getting heavier all the time. The insecurity of groups and individuals is manifested through a search for a refuge more in terms of accumulating precious metals rather than in the prospects for economic growth.

The message which the President of the United States sent to Congress, concerning economic measures and military buildup measures as well as the expansion of the military commitment abroad, from Europe all the way to the Arabian-Persian Gulf, clearly indicates the harsh terms of the clash now in progress. The decision of the Soviet authorities to arrest the scientist Sakharov for the opinions he expressed against military intervention in Afghanistan, underscores the determination of the political leadership to hold the country together in view of the progressive exasperation of the international situation.

But we believe that this forced domestic unity--achieved through repressive measures directed against the basic rights of man, also spelled out in international agreements, which are politically rather fragile--are openly contradictory to the goals of detente and peace which the Soviet Union says it wants to pursue.

The universal concern of the peoples for peace cannot be expressed and guaranteed only through a small group of rulers but needs control, the most widespread and best-organized possible, by public opinion, by social, political, and cultural forces, although characterized in the various contexts. In locking Sakharov up, the Soviet political leaders are trying

to avoid any possibility of debate and domestic control. But in that way they wind up supplying rather good arguments to anybody abroad who would like to wipe out any, no matter how difficult effort aimed at a peaceful resolution of conflicts; instead they facilitate the actions of those who are aiming for a kind of sacred union based on an ever more bitter economic and military confrontation.

Sakharov's isolation; the continuing attempts to silence any dissidence instead make even more essential the mobilization and vigilance of the Italian, European, and worldwide workers because the new rigidification within the USSR is not paralleled by a similar rigidification in the West.

We must stop this ill-advised race in all of its various aspects. Even if it does not lead to the extreme tragedy, it will always constitute tremendous damage to all humanity because of the waste of resources for armament, because of the slowdown of worldwide economic growth, because of the risk of minor wars.

Our struggle for detente and for peace must now be tied in ever more forcefully with the critical analysis of a system of political, civilian, and social organizations where extremely serious decisions are made (serious not only for the Soviet people but for the entire world) by nipping in the bud the formation of any autonomous public opinion, thus denying the possibility of debate and control. It is our firm conviction that seeking broader space for liberty and participation also means consolidating the very foundations of peace and detente.

President Carter's address to the Congress worries us greatly because it is based on the demand, both for security, and for petroleum supplies (which objectively speaking involves all industrialized areas) and on a boost in military strength. This is a further dangerous step against the method of detente which was aimed at these same objectives through successive negotiations and understandings on arms reductions and on economic cooperation. Besides, the complex implications contained in that policy of defending the "vital interests" of the United States can lead to a reversal of that international action of the White House aimed at nonintervention in the internal changes of the various countries, a line of action which has become stronger after the withdrawal from Vietnam. That certainly would be a defeat for all those forces which, like ours, had in a tenacious struggle opposed the outstanding imperialist aspects of the policy of the United States.

On this same level of a very tough confrontation, marked by growing rigidification, we also encounter the questions of the boycott of the Olympic Games in Moscow and the suspension of commercial, technological, and cultural exchange with the USSR which some countries decided on.

In this context of disquieting bitterness, where the action aimed at the resumption of the detente process appears more confused and less tenacious,

the political function of Europe assumes great significance, a function called for--in his twin capacity as Italian prime minister and current president of the EEC--by the Hon Cossiga during his most recent trip to America. On the one hand, Cossiga very insistently emphasized Italy's solidarity with the United States within the Atlantic Alliance; on the other hand he did not fail to stress the desire which emerged on the European level, the desire to keep the road of detente open also in the light of logic and the spiral of retaliation--a desire which has certainly been promoted recently in order better to homogenize it.

In the document of the CGIL, CISL [Italian Confederation of Labor Unions], and UIL [Italian Union of Labor] federation and in the unity demonstration at Adriano on 21 January, we said that the workers and the labor unions of Italy and Europe must, avoiding any temptation to take sides, bring their full force to bear in order to counteract this negative push which seeks to take hold throughout the world. This is happening precisely at a moment when the problems of continued growth for the industrialized countries and the problems of underdevelopment and hunger for the poorest countries are becoming extremely acute and dramatic.

The demonstration at Adriano forcefully expressed the awareness of the workers that they are united on the basis of values which they developed autonomously together. We already told ETUC President Wim Kok, on the occasion of his most recent visit, about the federation's desire to have the ETUC and the European workers fully express their commitment for peace and detente. Certainly, the ability to extend this desire of the workers, as far as possible all over the world, in opposing the machinery of war could only improve conditions for the development of detente and peace.

But that certainly is not the opinion of Irving Brown, the representative of the AFL-CIO in Europe. With a tenacity worthy of a better cause, he again presented its visceral anticommunism as the essence of the international labor union policy of the American labor union. We are above all eager to tackle the problem of political unity and, depending on specific conditions, the problem of organizational unity of the Italian labor union movement in Italy and worldwide. We had an opportunity to express a positive judgment on the congress of the international CISL in Madrid above all with respect to some tendencies that emerged there: in particular, the determination not to adopt the logic of blocs as its own. But here again, the AFL-CIO representative certainly was not in agreement; we recall that he walked out of the international CISL in 1969 following the "Eastern Policy" pursued by that organization.

We will devote the next executive committee meeting of the CGIL (whose debate will involve the entire organization) to a strong definition of our international labor union strategy within the context of the policy of the united federation which is expressed with ever greater force, such as it emerged from the statements of the UIL and the recent CISL

cadre meeting, the demand for developing the discourse launched by the general united council meetings last February with greater coherence and vigor.

In conclusion one cannot help but point to the high level of unity in the Italian labor union movement on all of the problems of peace. This is an extremely positive element, rich in potential. Nobody denies that there are different opinions regarding the evaluation of some data available today; but the common judgment of the CGIL-CISL-UIL--as significantly attested to by the firm condemnation of the Soviet invasion of Afghanistan and the expressed position on all other elements of the situation--are not random results but rather present widespread convictions.

This involves a high degree of unity which, more than yesterday, relies all of the popular political forces likewise--and this is a motive which has been underscored with much attention. This is a fact of very great importance. It underlines the significance of the values which the entire nation adopts; it introduces a factor of development of more general relations between the political forces at a moment when, more than ever before, they are called upon to come up with effective and united responses to the tremendous challenge of terrorism.

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CISL ORGAN EDITORIALIZES ON RANGE OF NATIONAL ISSUES

Rome CONQUISTE DEL LAVORO in Italian 21 Jan 80

[Article by Pierre Carniti: "The Terms of the Workers"]

[Text] It is always the "disadvantaged poor" who foot the bill; but we want to change. We told it to the government, to the political forces, and to the country with the strike on 15 January.

The decision of the CGIL, CISL [Italian Confederation of Labor Unions], and UIL [Italian Union of Labor] Federation, to hold the general strike because of the negative outcome of the discussion with the administration on the crucial issues of energy, inflation, and development, triggered a broad debate inside and outside the labor union movement which however contributed very little to the clarification of the true meaning of the labor union positions.

Along with the rituals, with the ever more aggressive reactions, inspired by "complacent conservatism, obscurantism, obstinacy, and the ability to realize that times are changing," as Keynes reproved the capitalism of his time with obvious constructive intentions, there also emerged arbitrary interpretations unrelated to the reasons which persuaded the union to decide on and stage the general strike.

The invitation and appeal addressed by the federation directorate to the principal political forces--to get them to build indispensable solidarity and agreement on some essential issues--as a matter of fact in some cases was interpreted as an adjustment of the labor union positions, tending to give preference to problems within a political context, that is to say, formulas as against contents.

The fact which, in our opinion, however, we must start from is that we do face the inescapable problem of countering the current politically precarious situation with a representative political direction. This is not so much because, as we usually say, we have to confront the emergency brought about by the economic crisis. If, as a matter of fact, by emergency we mean a

situation which is both exceptional and transitory, then one cannot help but note that problems of an economic and social order--precisely because of their gravity and depth--certainly cannot be solved only with short-term responses, that is to say, with a policy essentially revolving around the particular economic and business situation.

The emergency however is much more serious than that and, the one place where things cannot go on the way they have been, is in the fight against terrorism.

In view of the atrocious crimes, such as those in recent days, in Palermo and Milan, one cannot confine oneself to responding with something which, although it may be important, in the long run involves the risk of looking like a painful and powerless ritual.

In other words, we cannot continue to heap up commotion and anger, pain and condemnation.

We are getting used to pain. In the end, we come up with an elusive explanation for everything. In other words, we realize that every war has its dead. And now, little by little, the words are worn down and the ceremonial becomes exhausted.

With these prospects in mind, the fight against terrorism--rather than constituting an essential front of political and popular mobilization--winds up being reduced substantially to a matter of military techniques.

Subversion then marks a point which can decide the defeat of the democratic state.

I certainly do not want to downgrade the demand for greater efficiency in the scrupulous observance of constitutional limitations upon the preventive and repressive agencies used in the defense of the democratic system.

But I am entirely convinced that the thing that counts in this fight against terrorism is the degree of vulnerability of the democratic state. Through assassination, through political crime, terrorism as a matter of fact seeks to destabilize democracy by leading it to its own political self-destruction.

This is why, in view of the dramatic nature of the terrorist challenge--with all due respect for the problems and difficulties existing within the parties and between the parties--one cannot, without paying an intolerable price, perpetuate a situation characterized by a minority government, a parliament that is too frequently paralyzed by irresponsible obstructionism and by inadmissible absenteeism, a relationship between parties marked by conflicts and opposition, rather than solidarity and agreement.

In view of the emergency threatening the democratic system, avoiding the demand for coming out with a representative political direction at the right

time means therefore contributing to the aggravation of the situation, it means disarming the country in the face of the terrorist attacks, confronting public opinion only with that which entails the risk of appearing like an irresponsible democratic vacuum. The insistence with which we called upon the parties seriously to tackle this situation however does not attenuate and certainly not reverse the labor union meaning of the general strike. As for the rest, the defense of democracy, while it does not tolerate political vacuums, is not separable from its content, that is to say, from the breakup of the principal economic and social interconnections.

Through the strike we therefore wanted, with the entire force of the workers, to demand a concrete definition of an energy policy strategy aimed at economic growth with less inflation.

We all know that the energy crisis and the oil price rise, which is an important element of it, altering the terms of trade with the petroleum and raw-material producing countries, has the effect of speeding up inflation.

We also know that economics--at least in its "respectable" and "conformist" majority--so far has not considered it necessary to apply itself to drafting new theories in order to fight inflation, theories which would not be aimed at a sinister spurt toward a hefty increase in unemployment. In spite of the reality of these past several years, it has now charged itself with the task of demonstrating that unemployment and inflation can exist together, so to say, "peacefully."

Until such time as theory is able to interpret and modify reality, it must certainly run the risk of being wrong. One therefore could be indulgent toward the economic activism displayed by the administration at the end of the year if it were not the weakest and those whom G. B. Shaw called "the disadvantaged poor" who have to foot the bill for measures which are coherent and justified only in outward appearance.

We might cynically object that, in Italy, as in the rest of the world, the cause of social peace has been sustained by the cries of anxiety from the privileged and the most powerful corporations who persuade the poorest, the unemployed, the retirees, the occasional laborers, the families with one income and many mouths to feed, to accept their fate in a more "philosophical" manner.

The determination of the labor union to change the course of things is the confirmation of its utopian and voluntarist propensity. But it is now entirely evident that, if one does not draft a more realistic strategy of energy supply and if one does not adopt an economic policy of development and criteria of equity in the distribution of the cost of the crisis, one will run the risk of seeing the situation deteriorate to such a point as to push the country beyond the threshold of governability.

On the economic and social side likewise, therefore, the fight against terrorism appears entirely fragile and contradictory.

The surprising thing here is not only that there are employer sectors and political forces which think of prescribing, also for chronic bronchitis cases, as a supreme remedy, the blockage, or, as we usually say more elegantly, the freeze on the sliding scale, but rather that the country could accept a schizophrenic economic policy.

In other words, a policy which, on the one hand, sustains inflation through indiscriminate and senseless concentration of increases of all prices and rates, while, on the other hand, it avoids countering inflation by acting upon the effects and concealing the structural causes.

Holding the general strike therefore does not imply a more optimistic evaluation on our part regarding the status of the crisis and the need for severe adjustment in the employment of resources, in the presence of a drastic change in the terms of trade.

Through the general strike on the other hand we told the government and the political forces that the workers and the popular masses reject the attempt to unload the consequences of the rise in oil prices upon them, three times over: through the general price and rate rise; through a regressive taxation system which penalizes employed workers and families by reducing their real wages. Not only for reasons of equity and social tolerability, but also because, albeit with the illusion of wisdom, this policy instead pushes the country into adventure and disaster.

Through our decision, that road has been closed. The solutions to the problems of the economic crisis therefore must be sought along alternate lines which we helped to point out.

First of all, there is the policy of production increase, not divorced from measures capable of safeguarding and increasing employment.

This is an attitude which is good--not in the light of the current political balance and the equilibrium in the administration which they expressed, but also in terms of the prospects for new and different equilibriums.

Although, for the reasons I recalled here, we do not underestimate the demand for a representative political leadership, nobody should think that the CISL and the labor union movement as a whole can together ever passively accept an unacceptable and mistaken policy, perhaps through some misunderstood contribution toward the participation of new political conversation partners in the formation of equilibriums in government.

This position not only reveals the reassertion--quite relevantly--of the function of social dialectic, as a condition for democracy and therefore as a condition for a balanced and respectful relationship between the state

and civilian society, between political synthesis and pluralism. There is also the conviction that the need for an economic and social policy, which will extricate the country from the crisis, by countering the tendency toward breakup and by revitalizing society along lines of solidarity and equality, certainly is no alternative thing here, but neither is it interchangeable with new political and government equilibriums.

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CISL'S SARTORI INTERVIEWED ON LABOR, PROBLEMS OF SOUTH

Bari LA GAZZETTA DEL MEZZOGIORNO in Italian 2 Feb 80 p 10

[Interview with CISL Confederation Secretary Paolo Sartori by Paolo Torresani:
"The South Is Changing--But Also for the Worst"]

[Text] Rome--The existence of the Fund for the South comes to an end with the end of this year. This termination has revived the cyclic debate about the fund in connection with which there has been a new and strong wave of polemic. We discussed this with CISL/[Italian Confederation of Labor Unions] Secretary-General Paolo Sartori. "The price for this polemical distortion," said Sartori, "has already been paid very dearly over the past two 5-year special legislation terms where the absence of a definition of clear economic, social, and organizational objectives every time led to hasty public action--special but also regular--in a situation of profound uncertainty and serious contradictions, from which sprang the current state of confusion and crisis. It is now necessary resolutely to change the method and to call upon everybody to discuss the real problems of the South, the transformations in progress, the new terms of the southern issue, the real status of public action in the area, and the true causes of its malfunctions. In view of these problems and this reality, each of the subjects involved in development must adopt a position, spell out and declare his own strategy, and make himself available for a reciprocal confrontation so that a real new policy for the South will emerge from that, a policy for which the law, to be debated over the next several months, will have to be an effective action instrument."

Question: How does the labor union today view the "Southern issue?"

Answer: Everybody agrees that the South is changing. But the interpretations of this change are diverse and contradictory. In the face of a

position which one might say is optimistic and which believes that a new South, rich in autonomous economic and social subject status is emerging, where the main issue is now the issue of urban-industrial development of superior services, there is also a pessimistic and almost catastrophic position which sees a south committed to a daily and desperate struggle to cope with the effects of the domestic and international crises that are having their repercussions on it so as to stop any push toward growth. The South in reality today looks rich in varied and internal contradictions, with vital zones of growth and backward and regressive zones, with a variety and multiplicity of conflicting realities, some of which certainly are easy targets for the harsh counterblows coming from a grave and negative economic situation.

Question: What are the "new" problems that are coming up?

Answer: First of all, we have the territorial question at whose center we find the domestic equilibrium which has been deteriorating in recent years between coastal areas and urban areas influenced by industrial growth and the other areas which are still deep in a subsistence economy. In this context there can be a combination of factors which in the end would not help to balance the impetus which is now emerging objectively toward giving the southern cities back their historical function, toward progressively moving them into a role designed to promote service, not only for itself but also within the surrounding territory, a role which the city has historically in the Western forms of growth.

The industrial production issue also comes up with great urgency and almost dramatically. The recent tendencies toward the industrialization of the South have sustained the significant presence of production decentralization not only through the big private and public outfits but also the medium-sized ones in the north-central section and, together with that, the rise of small and very small local industry would entail the risk of being contradicted and overturned by the crisis now progress in some production departments and by the difficulties opposing the new wave of industrial investments aimed at expansion. There are many intertwined points contained in that issue but the main fact relates to the profound crisis into which have slipped the instruments of public action, ranging from financial action to specific infrastructure facilities.

Question: What role can public action play in tackling these crucial points?

Answer: We cannot help but forcefully underscore the idea that the solution to the southern problems cannot come exclusively from the policies and instruments of public action within the area. Today, more than ever before, in view of a south which has entered a phase of transition toward a new and higher economic and social equilibrium, we must confirm the "central nature" of the southern issue and the fact that its resolution depends on an economic and institutional policy which in overall terms will be re-oriented and directed toward general development targets. Public action

in the southern region is an integral part of this policy and through it one should be able to attain objectives and targets.

Question: What does the labor union intend to do?

Answer: The new terms in which the southern issue comes up today and the new development stage which the South has entered also confronts the labor union movement with problems of rethinking and updating its strategy, especially regarding the specific and precise adhesion to the new forms of manifestation and growth of economic and social subject status.

On each of the issues, into which the historical territorial, industrial-production, social, and administrative question is broken down, the labor union movement has its own special position and its own political responsibility.

The confrontation with the administration regarding the definition of public policies can be tackled more effectively and authoritatively if the labor union movement acts from a position of strength based on its own vision and committed to a clear and unmistakable strategy.

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ECONOMIC WOES OF SOUTH AND REMEDIES ANALYZED

Naples IL MATTINO in Italian 4 Feb 80 p 2

[Article by Bank of Naples Vice President Pasquale Acampora: "Inflation, Stagnation, and the South"]

[Text] All the variables which, in recent years, as part of a negative combination, brought about the persistent economic crisis which in various degrees struck the entire Western economy, do not seem to be moving in a positive direction. Stagflation, which characterized the economic history of the seventies, does not seem to want to forego giving its own imprint also to the decade which has now just begun.

In this situation, all phenomena are combined in a fatal spiral where it appears useless to try to distinguish the causes from the effects. In particular, the almost daily international foreign exchange and monetary undercurrents seem to us to be identified as a thermometer, as symptoms, rather than the cause of the current international economic crisis.

In this connection we must underscore the fact that, after a quarter of a century, the ever more cosmopolitan contemporary economy in the meantime has defeated the Bretton Woods system but has not replaced it with anything else and it is therefore currently devoid of any international monetary reference frame which would provide some guarantee of stability and certainty for extranational transactions. Hence, the race for gold which is a phenomenon which has to be discounted.

The EMS system in this sense and to some extent gave preference to the EEC countries which however--in not representing an autarchic entity in dealing with the rest of the world--likewise turn out to be involved in the "gold exchange standard" decline.

In this situation, in pitch darkness from the viewpoint of economic clinic and pharmacology, where the therapeutic options are more fideistic rather than scientific (Keynesians, post-Keynesians, monetarists, neo-Manchesterians, etc., etc.), we are, at best, on the part of the central authorities, in possession of symptomatic cures which furthermore are full of a strong dilemmatic potential on the level of their social effects.

In this international framework, the budget estimate report for the Italian economy for 1980 seeks to reconcile the opposing requirements for holding down the rate of inflation without embarking upon the tough and dangerous path of recession.

The most recent international events on the other hand create confusion as to Italy's ability to remain within the figures indicated in the report and as to the adequacy of action instruments. The problems to be faced and to be resolved in Italy are further emphasized by the fact that the decision-making sphere of various social, labor union, and political forces conditions the economic policy lines both in terms of choices and even more so in terms of their implementation with heavily corporative and special-interest attitudes. This explains the almost exclusive recourse to monetary policy measures which, although severe, are not sufficient to get us out of the tunnel and the crisis. The classical maneuvers in monetary matters only serve to slow down, in the short run, the most apparent indicators of the many economic imbalances which, if they are to be resolved within somewhat longer-range prospects, require us to resort to actions of a structural although unpopular character; in other words, we must act on the level of real economic magnitudes.

It is no coincidence, as a matter of fact, that we have witnessed a progressive lack of attention regarding the first Pandolfi document which in the past has characterized the political debate with a broad involvement of all social components. Besides, insufficient attention was devoted to this serious philosophy of development during the latest election campaign; this is probably due to the fact that the interrelationship of topics and problems involved here nevertheless did imply a precise assignment of responsibility to all of the partners in the economic, political, and social process.

The optimism tied to the rebalancing of Italy's balance of payments must in this connection have played a role of its own; this optimism was excessive and, as far as the economic situation was concerned, it was out of proportion with respect to the real problems on the agenda. The international economy's instability which comes on top of everything else, as cause and effect, on top of the structural imbalances of the industrialized countries, makes it every more urgent, on all decision-making and operational levels, to be inspired by a philosophy strictly based on a line of qualitative and quantitative coherence and congruence regarding the economic policy choices. This first of all implies the acceptance, by the various components of the social body, of the inevitable and unpostponable sacrifices and reciprocal concessions in the short and medium run, as the basic prerequisite for warding off the irreparable consequences upon the country's economic and social setup. In any case it is necessary above all to have an overall coherence of behavior on the part of all economic and social forces with a rigorous pattern of compatibility, dictated by objective criteria of economic physiology with the abandonment, therefore, of the suicidal line of any assisted economy as the cause of waste and injustice in

the world of the workers, certainly also an important component of the inflationary process.

In this sense it is necessary for the social partners to commit themselves to real productivity, both within the system as a whole, and within the factory establishment, in order to restore the conditions necessary for economic recovery and monetary stability. The allocation of labor, in terms of sectors and territories, in this context appears to be the essential point to be resolved and the central problem of the current economic and political debates.

What are the consequences and prospects facing the South in a certainly not edifying bind, which so far has emerged only in vague outline? The South's economic subsystem cannot and must not be an indistinct average or mean within the projections of any central economic policy action designed to confront our stagflation. The thing should be obvious on the basis of the most elementary canons of tax justice which demands recourse to criteria of progressive taxation rather than proportional taxation. Thus, the lowest southern income as compared to the north-central income, with its correlatively greater propensity toward consumption, would be hit relatively harder by measures designed to hold the demand down; similarly, the lower propensity toward investment, characterizing the southern area, would not suffer any different fate resulting from measures aimed at the indiscriminate cooling-off of the Italian economy as a whole.

In summary, while anti-inflationary therapy measures are necessary for the north-central section, in view of the current growth rates of absolute prices, a carefully calculated disinflationary policy would have to be devised for the South, a policy which would gently cool, rather than chill the temperature of the southern economy.

Financial and credit policy evidently also would have to be tightened up less in the South--in spite of the considerable difficulties involved in practical implementation--with respect to a machine which is slower and lighter than compared to the rest of the country.

In this sense, the "sector plans," which are the instruments for the law on industrial conversion and reorganization, would have to be revised from a southern viewpoint which basically could alter the analyses and the program results involved. In order to attenuate the foreseeable impact of these harsh prospects upon the fragile southern economy, it is to be hoped that the regional entities will develop initiatives and actions in support of a sound fabric for the southern economy, made up primarily of small and medium enterprises. There is no doubt that the action strategy so far carried out in the South did not help or perhaps is not enough to solve the southern problem.

It is necessary, through coherence of intention and action, to restore adequate conditions for the development of the various economic activities

on the sector and dimensional levels of the enterprises, very clearly separating the financing functions from the management functions in order to prevent the production crisis from also involving the credit structure.

It is furthermore necessary, in this strategy, to provide development alternatives for the South, based on a reconsideration and on the vocations of the various regions and the trend on the national and foreign markets, in the short run and in the medium run. In any case, the preoccupying worldwide economic prospects must attract new attention and lead to original analyses on the future of the South in this new reference frame which, at any rate, will change the development model for the entire western area.

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CSO:3104

CITRUS PRODUCTION THREATENED BY SPAIN'S EEC ENTRY

Rome IL FIORINO in Italian 6 Mar 80 p 4

[Text] Iberian competition is increasingly disadvantaging our citrus production. Luciano Pecchi writes in the GIORNALE DELL'AGRICOLTURA that the Northern European consumer shows a decided preference for bright sweet oranges over our blood variety, because they are better suited for feeding to infants as juice. Let us take a look at Spanish citrus farming. What problems will our citrus fruits encounter in European markets when Spain enters the EEC? "Many," says the marketing manager of one of our country's largest export firms.

"Despite the fact that our Moro orange exports still benefit from Spain's determination to maintain the price level of its oranges," he says, "we are experiencing heavy competition from that country, and if we do not do something fast to stem the tide we will probably find ourselves washed away by it. Our citrus exports have already lost much ground and the export premiums granted us by the EEC are having only a relative effect: The European consumer still prefers the Spanish orange."

Many Varieties

The bright, sweet, seedless variety of orange is the preferred one for feeding to infants, in the form of juice, as their afternoon snack. Our oranges, on the other hand, do not in most cases meet these requirements, and are discarded.

A varietal conversion could be turned to, as has so often been desired, but to accomplish it overnight would certainly not be easy. The main reason is the fractionation of the commercial farming enterprises and of the farmland. A farmer, for example, wishing to commit his financial resources to a citrus varietal conversion must face the risk of a resounding flop if the same things are not done, using the same cultivar, by his adjoining neighbor(s). In fact, if he converts and his next-door neighbor does not, his new orchard will be "contaminated" by the adjoining obsolete cultivar.

There is, however, a solution to this problem: association. Only through an adequate policy of association among the producers is it possible to create the necessary conditions for an effective citrus varietal conversion.

"In Spain," our interlocutor continues, "similar problems do not exist. The farmland is not fractionated (in Sicily, some homesteads are barely large enough to eke out 70 quintals [1 quintal = 100 kilograms] of oranges!) and orchards spread over hectares and hectares. This is highly important, first of all because the fruit produced retains the qualitative standard of the cultivar, and secondly because to perform the necessary agronomic operations, the farmer can avail himself of technical means that in our case would be very hard if not impossible to apply. Take for example the use of aircraft for plant pathology and pest control, and of pruning equipment."

However, the competition is not only qualitative. In Spain, there is a transportation policy that privileges fruit and vegetable products in general, where these are to be exported. It provides for partial subsidization of their transportation costs (within the domestic boundaries) such as our products also enjoyed in Southern Italy until a short time ago. As a result of an EEC ruling, we no longer have this. But the most important and least known aspect of the Northern European consumer's preference for Spanish citrus fruits has to do with the fact that many Northern European importers have a direct financial interest in Iberian orange production. Let us be more explicit. Some commercial operators, having direct or indirect ownership in Spanish farming enterprises, prefer to import "their own" product rather than the Italian one. "To be perfectly honest," the manager continued, "we, too, tried an operation of this type, but the difficulties encountered (land fractionation, rather high costs) resulted in their preferring the Spanish enterprises. Only in the case of the Trentino-Alto Adige apple orchards have we succeeded in establishing the dual producer-importer relationship."

The additional fact must also be stressed that the Spaniards have a highly efficient marketing organization. They have an export syndicate that maintains iron discipline over all transactions. In our case, this is impossible because of the laissez-faire attitude that prevails in that sector. We do have a national syndicate of fruits and vegetables and citrus products exporters, but its purpose is far removed from regulating exports. Not only that, but there are many, too many, firms operating in this sector and the result is a competition among them that is inevitably damaging to the interests of the sector itself and of the country. A little more control, a little more self-discipline would already be a step forward toward halting the formidable Spanish advance.

But let us take a closer look at how the Iberian citrus production sector is organized. Spanish citrus production runs between 26 and 29 million quintals a year (Italian production runs between 20 and 26), depending on

seasonal conditions. These levels have remained constant over the last five growing seasons. However, although the total Spanish harvest has remained virtually constant, the distribution within this total, in terms of individual species and individual varieties have changed considerably, tending always to satisfy the specific market demands (as the ICE [Italian Foreign Trade Institute] has pointed out in a report on citrus production and marketing in Spain).

These results stem, on the one hand, from the rather open mind of the Spanish citrus producers, and on the other, hand, from the effective cooperation that exists between the producers and the marketers, whose meeting point is the Administrative Committee, with which the Exporters Association has recently joined forces.

The domestic fresh-produce market absorbs, on average, only 25 percent of Spain's total citrus production; a quota of 12-15 percent is allocated to Spanish industry; the remainder, over 60 percent, goes to foreign markets. Thus, Spanish citrus exports constitute the major portion of the country's agricultural food products trade balance.

According to the customs statistics published by the Ministry of Finance in Madrid, the ICE report continues, 1978 revenues derived from citrus exports totaled 38.6 billion pesetas (about 425 billion lire), or almost 20 percent of the value of all exports in the farming sector.

The French and German markets are by far the largest importers of Spanish citrus fruits, followed by the British, Dutch, Belgian and Danish, all of them being members of the EEC, which absorbs close to 90 percent of the citrus exports. During the 1977-1978 marketing drive, more than 1.5 million tons of citrus fruits were shipped to EEC countries. Outside the EEC, the Swiss and Swedish are rather large Western markets, and among the Eastern European countries, there are the East German, Polish and Czechoslovakian markets; shipments to the Soviet Union are sporadic and consist entirely of oranges.

In conclusion, the ICE report notes, in regard to the schedule of shipments, a thinning out of export shipments during certain periods of the year. This is owing to a number of factors, the most important of which seem to be: improved warehouse facilities for storage of the fruits; increased attention being given to the late varieties; the abundant availability of fruits that are generally stocked pending the start of the tourist season; the possibility of competing with other fruits during the Spring season as well, especially when the prices of the latter are high or their quantities insufficient.

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STATUS OF, OUTLOOK FOR PETROLEUM RESERVES

Milan IL GIORNALE NUOVO in Italian 30 Jan, 19 Feb, 28 Feb, 4 Mar 80

[Four-part article by Alberto Mazzuca]

[30 Jan 80, p 5]

[Text] Italian Oil: Little More Than a Dream.

The question is: This Italy, which somehow or other manages to keep going despite the Mafia, the Red Brigades, the kickbacks, and inflation at 20 percent--is it or is it not afloat on a sea of petroleum? In sum, is what was being said some years ago--that underneath Milan there was a lake of "black gold," that Italy was a kind of Texas, that with Sicilian oil we would soon become less poor, that within a short time we would be crossing the threshold of petroleum self-sufficiency--true or not true? And what has become of Malossa, that deposit that was discovered to be stretching all the way between the provinces of Milan and Bergamo and that in 1974, scarcely 6 years ago, was triumphantly inaugurated by Leone, who was then president of the republic, and by Girotti, who was then chairman of the ENI [National Hydrocarbons Agency]?

These are the questions that we, totally devoid as we are of any expertise of our own in these matters, put to some of the experts during a tour we made of the Italian oil world. And the conclusion has been distressing, although for some it may have been a foregone one: Italy will never become a member of the OPEC, the organization to which all the oil-producing countries belong. In other words, our energy self-sufficiency will remain as much a science fiction fantasy as is the science fiction fantasy that we will some day see one of our ministers arguing on equal terms with the sheiks, without having to beg on bended knee for an additional drop or two of black oil. There is no room in the reality of the situation for any illusions of this sort. The oil we extract from our own subsurface is very little. It could indeed be defined as a ridiculous amount, were it not for the sole fact that it does enable us to save billions upon billions of lire each year. Giancarlo Ristori, a Tuscan from Cortona, who for more than 20 years in Milan has been AGIP's [National Italian Oil Company] head of domestic production, says, "If our country were truly rich in petroleum,

something big would have happened by now, even if only by mistake. Instead..." Pierre Mazelet, a Frenchman from Bordeaux, 4 years in Rome as head of ELF [Oil Exploration and Exploitation Enterprise] exploration, adds, "Italy has a vexing geology; it is a conglomerate of difficulties. Italy is rich only in difficulties."

Even the xenophiles, those who thrive on denigrating the efforts of any and all Italian organizations and individuals, cannot in this case bring up any indication of possible AGIP inefficiency or possible inability of our technicians. AGIP is not alone in this operation; it has preferred to share the risks with other companies. Thus, in a good 70 percent of the explorations being carried out in Italy today, AGIP is working together with Shell and ELF. Prior to this, there were also CONOCO, AMOCO, BP... Ristori says, "BP would never have left Italy if there had been the least possibility of finding an Arabian Gawar-type deposit here, extensive enough, that is, to cover the area between Milan and Bologna."

We have no deposit of this size and our future will therefore never be sparkling and brightly paved with petrodollars. Our deposits are small. They are curiously defined by the technicians as "Italian-size deposits." In other words, very small. And so, we will simply have to resort, as has always been the case, to knocking on someone's door. The arithmetic is simple. Italian oil production last year was around 2 million tons. This is 1.9 percent of our national requirement. A mere drop in the bucket.

The situation will not improve much with time. Italian production this year should reach 2.1 million tons, increasing to 2.4 million tons in 1981, and to 2.5 million tons in 1982. In the 5 years between 1978 and 1982, "made in Italy" oil production will thus have increased from 1.5 million to 2.5 million tons. And this is only after: "Nilde," offshore from Trapani in the Sicilian Channel, has gone into production; a pilot well will have been drilled into the Cavone deposit north of Modena; and exploitation of "Perla," an offshore deposit 30 kilometers out from Gela, will have got under way.

This 1-million-ton increment, say the technicians, will add something to the "Italian size." Again, that is, very little. Meanwhile, the wells of the Cortemaggiore field, the wells that gave rise to Enrico Mattei's dreams and to a slogan that is entirely forgotten today--the slogan "The Potent Italian Gasoline"--and that for a time appeared on every AGIP sign, are in their final stage of exhaustion..

Two other deposits that have been in production for more than 20 years--the Gela and the Ragusa deposits--are now also nearing exhaustion. Moreover, according to the technicians, there is absolutely no basis for assuming the possibility of a sensational major find, at least one significant enough to change the current outlook. It seems, even under the most optimistic assumptions, that "Mila," the Montedison discovery offshore from Ragusa, will also be "Italian-size." Again, very little. Very little, at any



Existing oil deposits in Italy [30 Jan 80], by approximate locations, are shown above. They are: Malossa (between Milan and Bergamo), Cavone (Modena), Santa Maria a Mare (offshore from Porto San Giorgio, in the Adriatic), Rospo (offshore from Vasto), Cigno (in Abruzzi), Castelpagano (Benevento), Pisticci (Basilicata), Ragusa and vicinity, Nilde (offshore from Trapani). Only some of these are operational. The Cortemaggiore deposit, nearing extinction, is not shown above.

rate, as compared with the OPEC countries, the real oil-producing countries: Since those 2 million tons that come out of our own subsurface do, after all enable us to save just under 400 billion lire a year. Ettore Barocchini, formerly with the SNIA [National Company for the Exploitation of Viscose] and for the past 10 years head of the SIR [Italian Resins Company], says "Italy is not an oil region. But all of these small deposits, when put together, represent something of an asset, especially today, when energy is being recovered even from trash."

And so, since we have but crumbs of our own, we must by force of circumstances seek abroad. The ENI [National Hydrocarbons Agency] operates in some 20 countries through the AGIP and the IP [Italian Petroleum Industries], the former Shell. It operates in the North Sea, Tunisia, Libya, Egypt, Nigeria, Iran (at least until some ayatollah decides against it), Qatar. It will also be working in the China Sea. From all these activities, the ENI gets 16 million tons of crude. When these 16 million tons are added to the 2 million tons of domestic production, the sum represents approximately 18 percent of our nation's oil requirements and approximately 40 percent of the portion of the oil market covered by the ENI. The rest must all be bought.

A question arises at this point: Between 1979 and 1983, the ENI will have spent something like 4,520 billion lire in its search for oil. Of these 4,000 and some billion, a little less than 2,000 billion will be invested in Italy proper. Money thrown away? No. On what is spent abroad there can be no argument; we need oil and must therefore seek it wherever we think it may be found. Nor, for that matter, can we argue against the investments being made in our own country, on terra firma as well at sea. And the reason is: AGIP today is able to produce in Italy 2 million tons of oil and over 13 million cubic meters of gas. These 13 million cubic meters of gas (representing 50 percent of our consumption) are the equivalent of 11 million tons of oil. Had AGIP done no research whatever, not even when crude was selling at \$1/bbl only 16 years ago, we would not today have those 13 million tons of oil and methane. We would be having to buy that amount abroad.

And today's search is more justified than yesterday's. Our current reserves are being used up. They are not renewable. We are therefore compelled to discover new deposits that will provide us at least the reserves needed to replace those we are now producing and consuming. The reasoning is flawless; the average life of a well is around 15 years. Within 15-20 years, when today's wells have dried up, what resources will we use?

[19 Feb 80, p 5]

[Text] Malossa: Only an Exception

Casirate d'Adda, 18 February--For us Italians, Malossa means oil. And that is what it is, even though what we are extracting at Malossa is not, properly speaking, a true crude. The technicians call it a gasoline,

in that it is in the form of a condensate which, upon surfacing, separates into two components, one liquid and the other gaseous. At any rate, the 2 million tons of oil we produce in Italy, and which represent only 1.9 percent of our total requirement, come from less than some 10 deposits. And Malossa is the largest.

As of today, the situation is essentially as follows: There are four main deposits. Cortemaggiore is in fact about to be shut down; it is producing barely 7,000 tons of crude. The Pisticci and Cerce Maggiore deposits in the South are also producing very modest, marginal yields. Of the four main deposits, Gela (more than 23 years of exploitation) and Ragusa (its wells have been active 26 years), both belonging to AGIP, are nearing exhaustion. The other are so-called young deposits.

One of the latter is at Santa Maria a Mare, off the shore of Fermo; it was discovered in 1973 by ELF [Oil Exploration and Exploitation Enterprise] Italiana, a subsidiary of the French ELF Aquitaine (and at Santa Maria, ELF's minor associates are COPAREX [expansion unknown], PETROREP [expansion unknown] and SPI [Industrial Promotion and Development]). The other is located in the province of Bergamo, at Casirate d'Adda, some 40 kilometers from Milan, and is known as the Malossa deposit. It pertains to AGIP, the ENI [National Hydrocarbons Agency] subsidiary company that holds exclusive exploratory rights in the Po valley. Malossa's 10 wells are currently yielding 700,000 tons of liquid and 1 billion cubic meters of gas, or, in total, the equivalent of 1.5 million tons of oil.

Two Sides of the Coin

Malossa has, as does everything else, two sides, two aspects. On the one hand, it represents an achievement, a major victory, and on the other, a disappointment. To use the term "defeat" in this case would be excessive, entirely out of place. It was an achievement because in 1974, when its discovery was announced, Malossa was the largest hydrocarbon deposit ever found in Italy. Its reserves were placed at 40 million tons of oil and 50 billion cubic meters of gas. An achievement in which we took pride. It was as if we had been the first to land on the moon or suddenly all become sheiks, forgetting that in Italy the owner of the subsoil where oil is found is the state, and not Tom, Dick or Harry. The owner of the land at Malossa did not become rich; AGIP simply bought from him a slice of land on which to build the necessary installation.

The first Malossa well drilling-operation was started in July 1972 and finished in January 1973. The well was completed that Christmas. It represented a victory for our research. For the history of hydrocarbon research in Italy starts more than a century ago. Our country was in fact the third, in point of time, to record oil production on a systematic basis. This goes back to 1860, immediately following Romania and the United States.

A precious little volume was published last year by AGIP, in which this research, going back to our great-grandparents, is discussed. Activity was initially limited to exploitation of natural manifestations, that is, surface seepages of oil and emanations of methane, which were drained and collected through underground mining and very shallow well-drilling operations. Searching operations were transformed from craftwork into industrialized undertakings only at the start of this century. Thus, for example, Italian production reached a peak of around 30 million tons in 1932, then dropped off in the succeeding years until, 20 years later, it was exceeded thanks to Enrico Mattei.

The AGIP booklet contains another interesting point: Between 1921 and 1940, Italy's total production for the period amounted to 250,000 tons of oil and 230 million cubic meters of gas. With Malossa, we achieved our biggest discovery, even though--it must not be forgotten--it was only an Italian-size one. Not a very big one, that is.

However, the Malossa deposit represents an achievement from another standpoint, in that it is located at an incredible depth of between 6,000 and 6,500 meters. It is one of the deepest known deposits in the world, and certainly Europe's deepest. The extraction of oil at that depth involves a number of difficulties that no oil company had ever experienced before then. Giancarlo Ristori, head of domestic production for AGIP, says, "No prior experience with them existed anywhere in the world."

Dolomitic Limestone

Thus, there being no precedent anywhere in the world, it was necessary to study and invent everything. And that is what was done. There is no point in dwelling here on technical explanations, some of which are so highly technical that only a technician would understand them anyway. I think, however, that two points be brought out: The oil is not found in the liquid phase but rather in the gaseous phase. It is lodged, that is, in the pores of various types of rock. At Malossa, this rock, this stone, is called dolomitic limestone. It is a very hard stone similar to that of the three Lavaredo peaks. Five percent of each cubic meter of this dolomitic limestone is taken up by its pores, and it is in that 5 percent of porosity that the hydrocarbons are found.

That is the first point. The second has to do with how these hydrocarbons are reached and how they are brought to the surface. There is need for tubing, muds, drills, and a whole batch of artifices that must be particularly designed to withstand the pressures encountered. Malossa has the following characteristics: It has a stratum pressure of 1,050 atmospheres. The capped well has a temperature of 120 degrees [C] and a pressure of 950 atmospheres. One atmosphere equals 1 kilogram per square centimeter; 1,000 atmospheres equal 1 [metric] ton per square centimeter. Hydrostatic pressure increases by 10 atmospheres for every 100 meters of depth. All

of this simply means that the pressures at Malossa are extremely high--about twice normal--and that AGIP's technicians were able to overcome this enormous difficulty.

From the positive aspects let us now go to the negative. Why--this, in substance, is the question--does Malossi represent a disappointment of sorts? Its discovery was so overplayed in 1974 (perhaps because we were right in the middle of the oil crisis) as to bring about a sort of trauma among all those who were not actually employed on the site. That is, everyone got the impression that we had discovered a large deposit, big enough to resolve many of our problems. Many technicians even thought so. They insisted (and continue to repeat it today) that Malossa could not be an isolated case, that Lombardy's subsurface--and this was the nub of the whole thing--simply had to be concealing some as yet unknown riches. They were saying this authoritatively, based on their knowledge of our country's situation from a mining geology standpoint. Their reasoning was this: At Malossa, the oil is imbedded in the dolomitic limestone. Dolomitic limestone is rock of the Mesozoic, the most prolific of the geologic eras from the standpoint of hydrocarbon formations. Furthermore, dolomitic limestone is not mother rock; it migrated. It was not formed, that is, under the Po valley region; it got there thanks to all the structural smashing undergone by the zone in geological time.

At the ENI they say, "Malossa was the first deposit discovered at great depths--6,000-6,500 meters down. It proved that exploratory deep-drilling could pay off. Its discovery therefore gave rise to assumptions of further successes, either around Malossa or elsewhere." It has not turned out that way, however. Malossa's 10 wells (originally 13, of which 3 have been sealed) are all situated within the confines of a handkerchief; the greatest distance between any two of them is 2 kilometers. Nothing has been found beyond them. Or to be more exact: Drillings to date have not produced commercial results in other words, hydrocarbon deposits of a size that would make recovery viable have not been found beyond the current wells. It is in this respect that Malossa has been a disappointment. To date, that is, since exploratory deep-drilling cannot be considered to have reached its limit, precisely because of the difficulties yet to be resolved.

Problems

As of now, the deposit is in its normal operational phase. But there is no lack of problems. Ristori says, "There are problems of corrosion in the tubes and in the gear, and hence production problems. There are sealing problems at the tube junctions, hence safety problems. In short, it is a deposit where one must be constantly alert. And this is why we cannot push production from these wells beyond certain limits." This means that production will never be able to be pushed to maximum. There is in this, however, a positive aspect: The wells will live longer than average. The saying at AGIP is: "Our policy is that of conservation. The problem is not so much that of the price of oil as that of its availability."

[28 Feb 80, p 5]

[Text] Cavone: Pilot Well Ready

Modena, 27 February--Some insist that Cavone is the name of a semi-dilapidated farmhouse; others cross their hearts and hope to die that it is just a name made up from beginning to end. Cavone is a ditch, so small and insignificant that it does not even appear on any geographical map. Today, Cavone signifies one of Italy's major black-oil deposits, although from the standpoint of size it can hardly be compared with Malossa.

Cavone is some 30 kilometers north of Modena, and 2 kilometers from Novi, on the road to Concordia. We are in Lower Modena, a region that has been described as rich in fog and Lambrusco, almost on the border with the province of Mantova. Here, at a depth of barely 3,000 meters, a mere trifle therefore as compared with Malossa's 6,000, a deposit has been found that could yield 1 million tons a year of good oil. This means a little less than 1 percent of our national needs which total around 104 million tons a year. But it also means a certain savings in imports. Between Malossa and Cavone, this savings amounts to 1 billion lire a day.

Cavone produces nothing as yet. But within less than 1 week, an AGIP pilot well will begin operations (here, we are almost at the boundary of the ENI's [National Hydrocarbons Agency] exclusive research area) that will produce around 300 tons a day. Over the next 2 years, then, Cavone will yield 120,000 tons annually of black oil with characteristics very similar to those of Middle Eastern medium crude. It will then be idling, but will eventually produce 1 million tons a year when 15-20 more wells have been drilled. In any case, not before 1983.

Why a pilot well? Because, says Giancarlo Ristori, head of domestic production for AGIP, tests must be conducted. What kind of tests? We need to find out, he says, what kind of gear is the most suited to the required pumping operation. Essentially, oil has been found at two different levels: the first at 2,850 meters and the second at 3,000 meters. The oil at the first level--a medium-weight oil having an API gravity of 28 degrees (API gravity is a unit of measure: the higher this figure, the lighter and better is the oil)--will flow freely. That at the second level, however, will require a pumping system to help bring it to the surface. From what we have been able to see of the technical virtuosity of the experts employed at Malossa, this should present no great problem.

Recovery of the oil at Rospo Mare, offshore from Vasto in the Adriatic, will undoubtedly present a greater problem. Here, the operating company is not AGIP but the ELF [Oil Exploration and Exploitation Enterprise] Italiana, a subsidiary company of the ELF Aquitaine, the French equivalent of our ENI.

At Sea

Compared to AGIP, the ELF Italiana is a midget, a little oil company. But it is also the only one, aside from AGIP, that extracts oil from the Italian subsurface. From the Santa Maria a Mare deposit on the Fermo shore (a deposit discovered in 1973 and being worked by means of land wells diverted offshore), something like 300,000 tons a year of oil are being brought to the surface. Not even 1 percent of our national needs. The estimate for Rospo Mare is 1 million tons. Like Cavone, that is, but with all the problems that Cavone does not have.

First of all, the Rospo Mare deposit (61 percent ELF, 25 percent AGIP, 9.5 percent SAROM [expansion unknown], 4.5 percent METRA [expansion unknown]) is not situated below terra firma. In the language of the technicians, it is offshore. And the extraction of petroleum from an offshore deposit requires more costly gear. Then there is the problem of the quality of the oil. The Rospo Mare oil is a very heavy oil, around 11 degrees API. In other words, it is a crude similar to a bitumen. And bringing to the surface a crude of this kind is not a simple matter.

The depth [of water] involved is around 90 meters. Moreover, the impregnated rock extends horizontally, not vertically. The deposit, that is, is vast in breadth, not in depth. This also presents a non-negligible problem. Pierre Mazelet, head of exploration for ELF, says, "Rospo crude must be helped considerably to reach the surface. Consequently, operating costs are rather heavy, so much so, in fact, that we are still not sure of the deposit's economic viability. Prior to 1973, we would definitely have considered it an uninteresting deposit. Today... At any rate, the pilot well cannot become productive until some time in 1982."

From the Adriatic (which, if not rich in oil, is rich in methane; 70 percent of our domestic production--and this represents 50 percent of our national needs in gas--comes from the Adriatic deposit), we go now to Sicily. Here, offshore as well as under terra firma, we have our largest concentration of oil deposits. In the Sicilian Channel, off the Trapani coast, is Nilde, 51 percent AGIP and 49 percent Shell, a modest deposit, whose yield at idling level is in the order of 300,000 tons a year. Its crude is quite light, with an API gravity of 38.5, close to that of Saudi Arabia. It differs, however, in that its size is what it is: A Saudi Arabian deposit accommodates 100 or so wells. Nilde can accommodate just one.

It will go into production between September and October of this year. Everything will be done at sea.; it will not be necessary to build pipelines or the like. The well will be completed over the seabed, at a depth of 1,500-1,600 meters. The well will be connected to a permanently anchored ship in the area with all the necessary equipment aboard for initially processing and storing the oil.

Some 30 kilometers from Gela, there is Perla, 100 percent AGIP. This is also a small deposit: 100,000 tons a year. Its crude is rather heavy. It will go into production in 1981; the operating platform is now being built. There is also the zone around Ragusa. The SIR [Italian Resins Company], the company formerly owned by Nino Rovelli, for example, discovered oil under terra firma at Santo Bartolo. A well was drilled in 1979 and, at a depth of over 3,000 meters, crude was immediately found, comparable to Egyptian crude, with an API gravity, that is, around 27 degrees. Tests of long duration will begin in a few days to determine the well's potential. What the technicians call "seismic work" is already under way to determine if there are other "entrapments," as the geologists call the pockets in which oil gathers.

Forecasts

A second well may be drilled in 1981. The viability verified, production could start in 1983. Ettore Barsocchini, head of exploration for the SIR, says, "Since we are on terra firma, the required investment is not all that great. Therefore..." The SIR subsidiary that hunts for oil is called the SIR Mediterranean Explorations Company. Its activity started some 10 years ago and has of course suffered from the financial crisis that has gripped the entire group over the past few years. Barsocchini says, "It is true, we have suffered from it. Initially we were alone in hunting for oil. We have now had to seek partners and go into joint undertakings." This is what has occurred at S. Bartolo, where the SIR holds 25 percent of the undertaking.

Barsocchini is deeply concerned over the firm's loss of image in recent years, and adds, "Our mining assets are nevertheless still intact. Outside of Italy, for example, offshore in Tunisia at Cape Bone, we are partners with BP, Gulf and Total in a deposit at 2,000 meters down. The crude there is light, better than 40 degrees API; none of the four existing wells is productive as yet; our share is 15 percent and valued at over 10 million dollars."

Montedison, on the other hand, is silent regarding its Mila, a deposit discovered off of Marina di Ragusa, whose oil is of a high quality, like that of Libya. There is a problem, however. The size of the deposit is still unknown; it is uncertain, that is, whether it is commercially viable or not. Five wells have been drilled to date; the first, fourth and fifth yielded positive results; the second and third were negative. What does all this mean? The response at Montedison is that Medici ordered everyone to maintain silence after the disclosure of the initial discovery triggered an earthquake in the stock market. They add that the so-called triangulation to map the boundaries of the deposit is proceeding very slowly because of the characteristically heavy seas during these months. They are moreover not now, nor will they be in the future, saying anything further, until there are new and decisive facts to report--a sound and responsible attitude, we must admit.

Is there reason to hope, however, that S. Bartolo and Mila may help resolve some of our energy problems? The experts are being cautious. They recall that Italy is not neither Texas nor an oil-rich country. They recall that AGIP has already drilled in the vicinity of S. Bartolo and that in the vicinity of Mila prospecting operations were carried out in the early 1970's by companies like Total, Sun Oil and Atlantic Richfield. These explorations all led to a single conclusion, namely, that there were no extensive deposits around S. Bartolo and that the Mila operation was not economically viable. So certain did this appear that all of the companies withdrew in good order from the venture. And the license for further exploratory work ended up in the hands of Montedison.

One might argue that what was valid yesterday will not necessarily be valid tomorrow. True. In Libya, for example, one of the best deposits was found after Mobil had discarded the possibility. So? So, the experts say, the most one could expect from S. Bartolo and Mila might be 1 million tons of oil a year. They would be two Italian-sized deposits. Not very big ones, that is.

The 2 million tons of oil being extracted in Italy today represent 1.9 per cent of our needs. What objectives can we reasonably set for ourselves? Giancarlo Ristori affirms: "A goal of 4-5 million tons a year of Italian oil production within the next 10 years. By 1982 we will already have attained 2.5 million tons; why can we not double that figure?" Like saying: It is not merely wishful thinking that we could, by 1990, achieve a domestic production equal to 5 percent of our national requirement. And what about all the rest of it?

[4 Mar 80, p 6]

[Text] Let Us Have No Illusions About Finding Oil.

Rome, 3 March--Giuseppe Maria Sfligiotti is a native of the Marches, from Senigallia. He is 47 but looks 10 years younger. His wife is a native of Rimini. He studied at Bologna and did his graduate work at the London School of Economics and the University of California at Berkeley. He still has the prolonged "s" of the Emilian accent. He joined the ENI [National Hydrocarbons Agency] in 1958 after having worked for Pirelli. He has been a vice president of AGIP for 2 years. His office in Rome was the terminal point of our tour of the Italian oil world, begun in a similar AGIP office in Milan and pursued from the viewpoint of one who, like ourselves, can lay no claim to being a technician.

[Question] Dr Sfligiotti, production of Italian crude is truly trivial: barely 1.9 percent, with a 1990 goal of 5 percent...

[Answer] I agree; it is trivial. A mere squirt in comparison with our total need. But that is the reality, and when one is poor, he gleans whatever he can. After all, if we had to import even those 2 million tons of

oil a year, we would be having to shell out 370 billion lire a year. And 370 billion lire are not something to be shrugged off even at a 20-percent inflation rate.

[Question] But is there not any hope of finding a Malossa multiplied by a factor of 10, 20, 30?

[Answer] Again the same question? Our geological structure is such as to exclude any thought of transforming Italy into a Texas or a Libya. Let us get it through our heads once and for all: oil, we have very little of; it can be measured with an eyedropper. That notwithstanding, that little drop is needed.

[Question] But is there not even the hope of finding it by exploring to greater depths?

[Answer] Let us suppose there is a wine bottle in the next room. That bottle could contain wine, but it could also contain vinegar; it could even be empty. That is the way it is with hydrocarbons. By means of geophysics we are able to see the subsurface structures, the entrapments, but no one can say a priori whether those structures contain oil and gas. The only way of knowing is to go down and find out by drilling wells. There is no other solution. Well, this is what we have done at Malossa and around Malossa. The results have not been identical. At Malossa we found Italy's largest deposit. Around Malossa we found nothing. At least, nothing commercially viable.

[Question] Are you continuing in the direction of greater depths of exploration?

[Answer] Certainly. We are especially pursuing that approach at sea, but also on terra firma. Precisely in the last few days, we have together with Texaco submitted a request to the Ministry of Industry for the mining permits necessary to explore an area covering almost all of Puglia, with the sole exception of Gargano. We have requested 16 permits in all.

[Question] Does this mean you have already found hydrocarbons there?

[Answer] No, we have found nothing yet; but that is not the problem. Our technicians have concluded that, for a number of geological reasons, Puglia lends itself to only one kind of exploration, and that is very deep drilling, below 6,500 meters. In other words, below the depth attained at Malossa. We must go down to 7,000, to 8,000 meters, with all the difficulties that entails. This is an example of exploration at great depths. At the same time, however, we have initiated a new cycle on terra firma, that of so-called gleaning."

[Question] And what is that?

[Answer] In the field of hydrocarbons there are no sharp dividing lines. What was valid yesterday may not be valid today, and what is valid today may not be so tomorrow. Essentially, what I am saying is that at current oil prices there are things that can be done profitably today that were unthinkable yesterday. Technically, as well.

[Question] And this would be gleaning?

[Answer] In the days when everything was still being done by hand, the farmers were helped at harvest time. The helpers were compensated with food and the right to glean, to go around, that is, picking up the ears of grain that had fallen to the ground during the sheaving. And those ears that were gathered up represented earnings...It is in these terms that we must think today in regard to hydrocarbons: Go after the little things that at one time were considered inconsequential.

[Question] Oil is being increasingly viewed as a raw material rather than as a source of energy...

[Answer] That is correct. And at this point I should like to bring out two aspects of the situation that I consider important. First: The oil-producing countries are no longer anxious to maintain production at adequate levels to meet the demand of the consumer countries, without a serious commitment by the latter to the economic development of the former. The terms are therefore: oil in exchange for development. Secondly: The investment levels in the oil and energy sector must be adequate to prevent the creation of a situation of physical unavailability of energy. A physical unavailability as well as a politically motivated one. Such an eventuality is far from being an improbability.

[Question] Your view of the future, then, is dark...

[Answer] On the energy problem, I am pessimistic. We must wake up to the fact that Europe has lost its independence.

[Question] In what sense?

[Answer] Coal, which in 1950 was by far the dominant source of energy and furnished 81 percent of Western Europe's energy needs, has gradually lost its place, so much so that in 1978 its contribution amounted to only 19 percent. Concurrently with the reduction of its importance, that of oil has increased. The contribution of oil to Europe's overall energy needs went from 11 percent in 1950 to 55 percent in 1978.

[Question] Meaning?

[Answer] Meaning that countries that are relatively rich in coal but poor in oil have gradually lost their energy independence. Whereas in 1950 they were self-sufficient, today they are compelled to import at least 60 percent of their energy needs.

[Question] For Italy, which is poor in coal as well, the situation will be even worse...

[Answer] In 1950, coal provided 39 percent of Italy's energy needs, oil 24 percent, and hydro- and geoelectricity 34 percent. Almost 30 years later, in 1978: coal 6 percent, hydro- and geoelectric energy 8 percent, oil 70 percent... Italy has thus tied itself hand and foot to oil. And the crude --another important fact--is found in geopolitically sensitive areas.

[Question] A mere revolution would be sufficient...

[Answer] Not just a revolution. Most of the oil potential is located in countries that are currently producing a lot of it. But these countries can also from one day to the next produce less. They have understood now that they can earn more by offering less and that it is more profitable to leave the crude in the ground, where its value keeps going up, than to extract and exchange it for money which they can profitably invest neither at home nor abroad.

[Question] Is there nothing that can be done?

[Answer] In my opinion, there is no simple and sure solution to the energy problem. There are only steps that should all be taken to provide a reasonable response to our problems over the medium term.

[Question] What steps?

[Answer] We have now become painfully aware that energy, and especially oil, is no longer abundant nor economical. It seems to me that the first thing we must do is to conserve and make more rational use of energy.

[Question] That is easier said than done...

[Answer] True, the problem is not an easy one. Our industrial productive system, our means of transportation, our way of life, have all been developed under conditions of abundant and cheap energy. These productive structures and way of life, as they have been developed, are no longer consistent with the exigencies deriving from a diverse energy situation of scarcity and high cost. We must therefore proceed to a structural reorganization of our society, of our industrial productive methods and of our way of life. This requires a financial investment and an extended period over which to implement these changes. It also requires a concurrent and substantial financial, technical and human effort to increase the availability of energy from alternative sources.

[Question] For example?

[Answer] The so-called renewable sources, for example: solar energy, wind, geothermal, tides and waves, biomass, and so forth. These have a limitation, of course: their modest yields, especially over the near term. Then there is coal, reserves of which are still plentiful and, especially, located in political areas that are not vulnerable in the sense of those from which oil comes. Its limitations, by comparison with crude, lie in greater production problems, labor problems, transportation, methods of utilization, and ecological problems. Then there is the development of the hydrocarbons, since gas and oil will have to continue for many years yet representing a major, indispensable source of energy. Massive investments must therefore continue to be made in the exploration and exploitation of hydrocarbons. And lastly, there is nuclear energy: It is going to be very hard indeed to resolve our energy problems without having to resort to nuclear energy as well.

[Question] All of these solutions, however, can bear fruit only some years from now. What about the meantime?

[Answer] As of today, we are not in a position to respond industrially to a potential, massive and permanent reduction in oil production. On the other hand, the OPEC countries themselves have no interest whatever in destroying the economies of the industrialized nations, since they themselves would suffer the negative consequences of such an action: Their own developmental process would be retarded, and the foreign investments that some of the oil-producing countries have made abroad in recent years would be seriously damaged. There is therefore substantive self-interest on the part of all the parties to achieve a sensible solution to the various problems. Through dialog, common-sense dialog, we can avoid many difficulties.

[Question] But, substantively, is that not likely to yield too little?

[Answer] I would say not, especially if at national and international levels the dialog took the form of less words and more action.

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'O JORNAL' REPORTS ON CGTP-IN'S THIRD CONGRESS

Opposition to Government Policies

Lisbon O JORNAL in Portuguese 14 Mar 80 Supplement p 1

[Text] The Third Congress of the CCTP [General Federation of Portuguese Workers] mandated the secretariat to promote, at the appropriate times, the forms of struggle "of massive scope, harsh and detrimental to the interests of big capital, which may prove necessary to overcome the resistance of a government as reactionary, repressive and unpatriotic as the present one."

This "carte blanche" given to the secretariat in the normal course of events was, nevertheless, one of the most important decisions of the Congress; because the documents submitted by the CNO [Same as CNOC-National Organizing Committee of the CGTP-IN's Third Congress] did not call for forms of struggle capable of insuring satisfaction of the list of demands. Furthermore, the scope of the mandate allows for the convocation of struggle demonstrations on the national level, including a general strike of greater or lesser duration. However, it is the conviction of many trade unionists that this higher form of struggle will not be used in the near future.

Another important aspect of the Congress is that related to the election of the new secretariat and, in general, the manner in which the work of the Congress proceeded. In this respect, the political "reading" of the majority of observers indicates that the forces which might join Major Otelo's FUP [Popular Unity Force] have been excluded, while there has been an almost complete opening for those who might become aligned with Mario Soares' "Front for Progress."

Thus, the majority movement demonstrated once again that it is counting on a preferential accord with the Socialists, attempting at all costs to include on the list for the secretariat names associated with the PS [Socialist Party], while at the same time assuring the UEDS [Leftist Union for Socialist Democracy] the same representation which that organization had in the previous secretariat.

On the other hand, the PCP's [Portuguese Communist Party] trade union movement also showed that it did not stomach the systematic criticism made of it by trade unionists considered to be affiliated with Marxist-Leninist organizations (such as UDP [Popular Democratic Union], PCP(R) [Reformed Portuguese Communist Party] and PC(ML) [Marxist-Leninist Communist Party]), despite the fact that the latter dominate the leadership of 16 unions.

This discrimination was heavily criticized, and will cause considerable comment. It is known that those trade unionists will not abandon the CGTP, and will continue to struggle internally for greater democracy within and for a change in union activity, which will obviously be done in a harsher and more inflexible manner than it has thus far.

With regard to the composition of the secretariat, there was extensive comment on the apparent "neglect" of the trade unionists from MDP/CDE [Portuguese Democratic Movement/Democratic Electoral Commission], who did not have any of their members chosen for inclusion on the list, despite the fact that this party established its own trade union plan at a recent meeting. Moreover, allied with the PCP in the APU [United People's Alliance], MDP gives unconditional support to CGTP and to the action of its heads; which is why some observers consider it rather odd that no MDP member appeared on the list, a fact which can only be ascribed to the "neglect" on the part of the majority.

Few Concessions

But the members of the majority did not go very far in their concessions regarding the secretariat, since they made somewhat of an attempt to reduce the exclusion of organizations considered to be extreme leftist. In the latter respect, they gave in regarding Carlos Trindade (who was recently interviewed by O JORNAL), an independent and member of the board of the Porters, Watchmen and Sanitation Workers Union, and a trade unionist well thought of by the entire left. This trade unionist, although he had been cited as a "potential secretariat member," was in doubt until nearly the end, and his inclusion among the members has been mentioned as compensation for the excluded minority members.

Besides, the majority movement did not accept most of the names which the minority members suggested for their representatives, and selected 12 trade unionists who are not affiliated with it to join the group of members, immediately hastening to propose a change in the statutes so that the number of members of the secretariat would be 33 (it should be recalled that the minority members were demanding 12 in 30 slots).

In other areas related to the program of action and the list of demands, the majority also made but few concessions, inasmuch as the individual vote by each delegate (the point which was to evoke the most discussion at the Congress) and the proportionality in the various organs were denied, and the alternate proposals submitted by the trade unionists affiliated with the aforementioned organizations were rejected.

In fact, in addition to the changes which the CNO itself agreed to before the Congress, prominent among which are the proposals made by the Porto Garment Workers Union (whose leadership is considered to be associated with the FUT [United Workers Front] rank and file), the majority line only partially accepted the proposal for institutionalization of the collective bargaining of the Southern Textile Workers Union, and gave minimal satisfaction to the demands from the minority attempting to establish, in a motion for a resolution from the secretariat, the immediate demands and forms of struggle to be adopted in order to carry them out.

Possible Changes

It was in anticipation that all this would happen that we wrote in the supplement included in the previous issue of *THE JOURNAL* that little would change. And the questions that this assertion raises now are more numerous, and far more incisive. A distinction can be made between two aspects: relations with the government and effects on the living conditions of the workers, and the internal operation of the federation (the questions raised by international relations are analyzed elsewhere).

In the relations with the government, we have already noted that they will be marked by confrontation, with the federation attempting to intensify and coordinate on all levels the struggles of the masses, which will be associated with other expedients, such as the legal struggle, and the contacts and pressure on organs of authority. Moreover, the labor movement has the responsibility, with regard to the resolution that was passed, to prepare and organize that mass struggle, "taking into account its critical role in changing the present political situation, from the standpoint of forming a democratic government which will abide by the Constitution."

But, in the view of several trade unionists, it is obvious that this requires greater freedom of action and independence for the leaders, and an actual search for unity of action which, although it was discussed widely at the Congress, has no guarantee of being sought. There are, rather, indications that everything will remain the same.

Hence, the fact that the secretariat's report does not contain the slightest self-criticism, and that it is still thought that the "yellow" ones and the divisionists are always the others (the instances of the UGT [General Union of Workers] and the agricultural unions associated with the UDP are quite enlightening), clearly shows the lack of a desire to bring about unity.

Furthermore, it must be noted that the creation of company trade union sections (such as the group of workers organized into a union in one company) could be a factor contributing to division, with the UGT eventually creating its sections as well. However, in this area the official Congress documents systematically mention the expansion of trade union activity and the participation of all the workers in the company, whether organized into unions or not.

And hereupon we come to the second aspect, wherein only the operation of the secretariat itself, in which not everything is going to be as peaceful as it appears, is worth mentioning.

In fact, of the actual members of the secretariat, the following trade unionists are not associated with the PCP movement: Alice Rocha (independent close to the UEDS), Carlos Trindade (independent), Gualdino Reis (independent close to the PCP), Joaquim Calhau (FUT rank and file), Santana Costa (UEDS), Kalidas Barreto (UEDS), Manuel Lopes (independent), Conceicao Ramos (FUT rank and file), Emilia Reis (FUT rank and file), Ruben Rolo (UEDS), Sa Pereira (PS) and Gaspar Militao (independent close to the PS).

Hence, the FUT rank and file has three members, UEDS has three members, PS has one; and, of the five independents, one is close to UEDS, another to PCP and a third to PS.

This means that the majority members will dominate, without any problem, and the minority members may have serious problems in calling a meeting of the secretariat (to do so, they must recruit 11 members). However, it is only natural that this will not be very significant, and that the decisions of the secretariat and the executive body will continue to be made by consensus, and not by voting.

What is more important, however, is the election of the executive body and the distribution of posts among its members. For the present, it is agreed that the three trade unionists considered to be representatives of the minority group (Calhau, Lopes and Kalidas) will be retained; and, of the majority group, Maria do Carmo must leave, and be replaced by a woman, most likely Rosa Maria.

Nothing is known about the positions, but a source very close to the outgoing secretariat assured us that there would be no changes of any import, and that Alvaro Rana, specifically, would retain the international relations post, although his activity has been heavily criticized by the minority sectors.

Interview With Union Leader

Lisbon O JORNAL in Portuguese 14 Mar 80 Supplement pp 1, 2

[Interview with Jose Luis Judas by Jose Pedro Castanheira; date and place not given]

[Text] Everyone would agree to the claim that Jose Luis Judas was the great strategist of the 1977 Congress. Three years later, his participation was considerably more moderate. However, his action was present at important periods at this Congress, specifically when dialog and negotiations with the minority movements were involved. A member of all the Intersindical

secretariats since 1974, Jose Luis Judas makes an assessment of the Congress and answers questions from Jose Pedro Castanheira regarding the future of the federation and the workers, without overlooking the nation's political progress.

O JORNAL: What assessment would you make of the CGTP-IN's Third Congress?

Jose Luis Judas: The results can be considered positive. They attest to an image of great unity, and constitute a reaffirmation of the principles that have guided its activity; and, on the basis of these two facts, they also proved it to be an indispensable force in Portugal, both for the consolidation of democracy and for the resolution of the nation's economic problems. The Congress was another occasion for reflecting on the problems of the workers and their difficulties and needs; and, on this basis, there will certainly be an improvement in the effort to attain the main objective at this time, which is that of the labor movement, to contribute to the consolidation of the democratic regime and to put up opposition to the offensive that the right wing has launched.

Common Market and ETUC [European Trade Union Confederation]

[Question] One of the greatest novelties at this Third Congress was the CGTP's receptiveness toward the Common Market...

[Answer] I think that the news media had a rash notion about the CGTP's positions. We have always held a highly critical position with regard to the Common Market. And we deem it necessary to be completely informed of the consequences of membership in the Common Market for both the workers and the nation, so as to be able to make a decision subsequently. We have called upon the European Economic Community for the CGTP's participation in the negotiations that are under way, so as to learn what is at stake. There is no doubt that the Common Market has not been a means of solving the economic problems in Portugal, but rather a means of pressure with respect to revising the Constitution. Since this view, which has not been officially denied yet, is still upheld, it is obvious that the CGTP must be opposed to that membership.

[Question] Can we not consider that attitude slightly contradictory to previous positions of the CGTP?

[Answer] It is not contradictory. What we think is that there may have been an attempt on the part of misinformed persons to hasten positions which did not exist yet.

[Question] Might this not be explained by an essentially tactical reason associated with the CGTP's request for membership in the European Trade Union Confederation?

[Answer] No. We have a totally accurate notion of what the ETUC is, and what the dominant forces in it are; and we think that the participation of the CGTP and other West European labor organizations in the ETUC would prove significant in bringing about the unified nature which the ETUC undeniably still lacks at present, and as a means of insuring its representative status in southern Europe. But we are not heading toward the ETUC by any means, much less giving up our positions.

Therefore, where the Common Market is concerned, we have assumed a position based on the principles that I have already mentioned, whether the ETUC likes it or not.

[Question] But, 2 months ago, didn't the CFDT [French Democratic Confederation of Labor] delegation which was in Portugal say that the CGTP had not yet assumed a sufficiently clear position with respect to the Common Market?

[Answer] We regard our position as being clear. While, on that occasion, it was perhaps not yet fully explained (at least in CGTP documents), it is no coincidence that it appeared on the program of action this time.

'There Are No Reasons for Self-Criticism'

[Question] The analysis made of the report of the previous secretariat very closely resembles the official documents of the Communist Party, both in terminology and in the form of analysis. Furthermore, the PC is not singled out, whereas there is a critical analysis of the action of the other political and social forces during the past 3 years. What do you think of this?

[Answer] With respect to form, the report has nothing in common with the PC documents; the form used is the form for the program of action. Moreover, the report is not intended to analyze the conduct of the political forces; and that is not its function. What it analyzed was the political, economic and social situation that has occurred during the past 3 years. And, naturally, there are references to the political forces which were represented in the government in one way or another. This is the only reason for the references made to political forces.

As for terminology, there are things which have their own name. A phrase that we use often is that this period has been typified by capitalist, agrarian and imperialist recovery. And now, regardless of how much one may disagree with this, it is a fact that it has occurred. It would be erroneous on our part if we were to avoid a statement that is quite correct merely for the sake of a spurious distinction.

[Question] In any event, your report makes virtually no self-criticism, nor does it cite any major flaws in your participation during the past 3 years. Can it be that things proceeded so well?

[Answer] Actually, if there is not much self-criticism it is because there are no reasons for it; which is not to say that the self-criticism does not exist. What we think is that the activity of the secretariat during the past 3 years was extremely difficult, mainly because it had to deal with authorities of a highly diversified political composition, particularly in relation to the First Government, which was based on a democratic political force although, as we say in the report, it was infiltrated with elements which later proved to be clearly counterrevolutionary and reactionary (and we are referring to a Barreto and others of his kind who were ministers). Despite the complexity of all these situations, we believe that the major objectives that were given to us at the last Congress (to oppose the policy of capitalist recovery, to try to consolidate the CGTP's structures and to combat the division that was becoming discernible) were attained, and that the results are highly positive.

As for the matter of the flaws that appeared, I think that, for example, many flaws were noted in the organization plan, as well as in areas relating to the vertical structure and financial management of the labor movement, and in collective bargaining (with regard to the lack of understanding that still exists concerning matters related to cadres)... All this is in the report. We might say that this is perhaps not a major self-criticism, but that would only be warranted, in fact, if the CGTP had made such serious mistakes that, for example, they led to a greater division among the workers, or if it had not helped to curb the offensive that is under way, something which did not occur.

Relations With the PCP

[Question] It is a well-known fact that many of the CGTP's leaders are individuals associated with the PCP. Would not a progressive clarification of the relations between the CGTP and the PC, such as that made in the case of other European trade union federations, such as the French, Spanish and Italian, be useful?

[Answer] As we know, the CGTP leaders are not all party members; they are not all Communists. We believe that the situation within the CGTP is by no means the situation that exists in the countries which you mentioned. The CGTP is related to a united tradition in the Portuguese labor movement, wherein pluralism has not yet been established, whereas in the other cases, such pluralism does in fact exist.

We think that our position with respect to the PC is totally distinct and we recently had occasion to cite a concrete issue, that of the Common Market, wherein we do not share the exact same position; which proves that we view the situation independently. But we are also not at all concerned when the positions of the workers which we consider just are only upheld by the PCP. Our only regret is that, on such occasions, others do not uphold them as well.

[Question] That by no means invalidates the overwhelming influence of the PCP members in the federation's entities, starting with the secretariat....

[Answer] But that situation only stems from the fact that the labor movement's entities are the result of elections. But we do not think that this prevents the Communists in the CGTP from always bearing in mind that, even when they are elected as a majority, the workers whom they represent are not only Communists, and that they must take this into account; which is what usually occurs.

[Question] Up until now, Jose Luis Judas has been the only CGTP leader who admitted his status as a Communist militant. A week ago, O JORNAL published an interview with a colleague of yours in the secretariat, Kalidas Barreto, in which he reiterated the presence of various instances of friction and division among the PCP trade unionists. What is your opinion of this?

[Answer] This is something new thus far, because it is normal and customary to say that there is monotony among the Communists, and that there is no difference of opinion. I consider the term "division" an exaggeration, but it is obvious that there are differences of opinion among Communists, as there are in all parties. What I cannot say is that there are ideological differences among the Communists, at least insofar as I know.

General Strike?

[Question] What will the major battles waged by the CGTP be in the area of opposition to the government?

[Answer] We think that the government is attacking the workers' indirect interests, such as cost of living, housing and unemployment; but also the problems with deeper roots. Our action will be guided by a "blow for blow" response to the government's offensive. On the one hand, it will be the result of the dynamics of the masses that are created and, on the other, that of the very dynamics which the government is using, with its reactionary activity.

[Question] In some speeches at the Congress, the substitution of this government was considered one of the goals to be attained....

[Answer] There is no doubt that, if the government persists in this kind of activity, the CGTP, although it has not adopted that goal as a slogan at present, may call for the resignation of this government in the near future.

[Question] Could the Congress be expected to consider the possibility of a general strike?

[Answer] Whether or not we are heading towards a general strike situation will all depend on the factors that I cited, relating to the masses' own

consciousness and combativeness and even the aggressiveness of the enemy which, in this case, is the government.

We do not deny, at the outset, the possibility of a general strike, if it should become necessary; but we also see no need for aiming toward it without considering, at the proper time, all the reasons that are present and the consequences of an action of this type posed for the democratic regime.

[Question] Then do you fear that an action of this type might have negative consequences for the consolidation of the democratic regime?

[Answer] It depends largely on the time. History has proven to us that there have been general strikes which were held to consolidate democratic regimes, and that there have been others which, because they failed to take the reality of the times into account, ended up causing progress for the reactionary forces. This must be considered at the proper time; and, in Portugal, the dynamics are so rapid that it is very difficult to make predictions.

Eanes Is the Target of the Right

[Question] One of the most important battles is related to the forthcoming elections in the fall. What will your position be at that time?

[Answer] In the political battle that is approaching, we think that the labor movement will have to make a far more clearcut and more intensive effort than in past elections. As for the goals, they will not be changed, but rather reinforced, insofar as the defeat of the AD [Democratic Alliance] is concerned.

[Question] Could this be interpreted to mean that there will be no opposition to a future government situated, for example, in the orbit of the so-called "Democratic Front"?

[Answer] Unquestionably. We are only clearly opposed to a government that is formed by the AD. Initially, we are not against any government from the democratic side; it will depend on its composition and its program.

[Question] What is the CGTP's position regarding the president of the republic at present?

[Answer] We have expressed no view on that.

[Question] However, there were some at the Congress who gave the impression that there was a certain amount of support for some of the recent positions of the president of the republic.

[Answer] I don't think it was as explicit as that. What happened and must be explained is that there was a certain sector of congress members which intended to assume a hostile position toward the president of the republic, and that hostility on this occasion would have coincided with the target of the right, namely, the president of the republic himself. Note had to be taken of this so that the labor movement, when it established or aimed its batteries, would consider where it was going to attack. There was only this clarification, but there was no adoption of a clearout or even a concealed position regarding the performance of the president of the republic. However, there is no doubt that the labor movement must consider at this point, at least, the fact that the right wing considers the president of the republic an enemy to be defeated.

Opening to the PS, Exclusion of the UDP

[Question] What significance could be attached to your tactical openness, during the Congress, to the Socialist Party?

[Answer] The CGTP has always felt that, in order to continue being a united labor movement, it had to count on the presence of many Socialist workers. This is a reality, and we cannot lose that presence out of mere narrow sectarianism. Hence, it is not a tactical opening, but only a matter of principle for the united labor movement to have within it all the movements that have a voice therein. This was confirmed at the 1977 Congress, and we think that the fact that some more Socialist comrades have joined the secretariat was related, in this instance, and more than anything else, to the attempt to have some sectors dissociated from the CGTP or which the CGTP had in fewer numbers, also able to be represented.

[Question] The UDP was a force excluded from the federation's secretariat. Why?

[Answer] As a matter of principle, we have always sought the representation of all sectors with different trends of opinion. We do not seek out a comrade just because he belongs to one party or another. If there really is a coincidence between the two factors, that is positive. But what is essential is that the most important sectors be represented; and there is no attempt, at the outset, to exclude any comrade for belonging to one party or another.

In fact, it is possible that there may be factors that would cause comrades, specifically those who hold a position different from that of the secretariat, to end up not having the representative status that they considered fair. Despite everything, we think that they are represented there.

[Question] The MDP [Portuguese Democratic Movement] has also complained of not being represented in the CGTP secretariat. Why?

[Answer] We do not form the secretariat to please the parties, but rather on the basis of representation of sectors and regions, and taking differences of opinion into account. If you tell me that they are not represented, it is because there were no conditions allowing for it.

Individual Vote

[Question] During the Congress, the point on which there were the greatest differences among the various groups was that of the individual vote. Why is it that the majority line did not accept the individual vote?

[Answer] The Congress (and Comrade Armando Teixeira da Silva stated this in his final speech) did not consider this question closed. We consider this one of the points which the Congress did not debate in the proper depth. The question of the individual or collective vote cannot be dissociated from the type of structure in the labor movement. We have a Congress of Unions which are for the most part horizontal; and hence we do not yet have a Congress resulting from elections held directly by the workers. But we are quite willing to agree that, if the structures are changed, progressing in the direction of vertical structure and trying out new systems, there is a possibility of considering the proposal for a vote for each delegate, which is not the same thing as the individual vote.

At a conference of the organization, which is due to take place during the next 3 years, there will be another occasion to make an assessment of the situation.

We should add that many of those who advocate the individual vote do so from a standpoint that is non-union, but obviously partisan; in other words, essentially, the individual vote with the present entities would only help to destroy the collective nature of the leadership, with individuals acting at the Congress not on the basis of the representative status that was given them by the workers (and also taking into account the fact that the lists themselves are heterogeneous in their ideological composition), but only in accordance with their ideological viewpoint. This would be a total subversion of the mandate which the workers give to a leadership.

[Question] A few days ago, certain sectors, namely, a head of the Textile Workers Federation, admitted, even before the Congress, the possibility of the establishment of a third trade union federation. What do you think of this hypothesis?

[Answer] When you speak of a third trade union federation, you give the impression that a second one actually exists; which is not a fact. The "Federation" which is attempting to become such is about to collapse. And we think that, with one collapse after another, even fewer hypotheses will succeed. In other words, an attempt to provide an alternative to the collapse would have even more limited support from the masses. We are of the

opinion that such an eventuality could only occur if the UGT's own plan were to fail; and we admit that there are some serious contradictions within it, specifically because of the effect of the great political battle that is about to be waged in the country, and the fact that the UGT is only the result of a partisan agreement.

Moreover, that eventuality would also have to entail a break within the CGTP and, in that case, we think that it is up to the CGTP itself to continue defining the course of action that it has devised, extending it from the standpoint of maintaining a unified perspective and one of defense for the democratic principles which have guided its existence. On this point, we believe that the enemies of unity will not succeed in doing anything, because the CGTP will continue to be united and cohesive.

Unity and UGT

[Question] We were just told about the unity which marked the Congress. In any event, it is known that any chance of unity of action with the UGT has been rejected.

[Answer] The position of the Congress on this point was unmistakable. There was nothing new at the Congress, because there was nothing new in the UGT. In other words, the nature of the division in itself was not changed, insofar as its work methods and objectives were concerned. Furthermore, as was stated at the Congress, the UGT's plan itself is not a finished plan; on the contrary, it is still subject to great fluctuations, and we shall have to wait and see.

In any event, with respect to unity of action, we know how to separate the UGT from the unions which represent the workers, even if we differ from the leaderships present therein. In the trade union area, there is nothing to prevent us in the office workers or metal workers unions from working with unity of action to protect the workers' immediate interests. What we repudiate is the puppet organizations, without any real representative status, which are the so-called parallel unions.

[Question] But can the UGT really be considered a puppet organization? It already has a social base...

[Answer] The social base supporting the UGT is confined to unions which we consider representative. As for the others, the so-called parallel ones, everyday experience has proven that they have neither representative status nor a structure on the company level...in fact, they do not exist!

[Question] And if the UGT were to change in the direction that the CGTP considers more in keeping with the protection of the workers' interests, would there be a chance that this position might be reconsidered?

[Answer] It would be a question to be considered at the proper time; but, right now, the essential question is still the same. First, we have to find out what the change in the UGT is and, secondly, what its position is regarding the democratic regime.

Heading Toward Unanimity?

[Question] Will not the 94 percent vote attained in the election of the secretariat possibly run the risk of heading at a fast pace toward unanimity, perhaps by the next Congress?

[Answer] I don't think that this 94 percent represents unanimity; but it does mean that there is a secretariat with the overwhelming representation of the Congress; in other words, the unified nature of the secretariat has been well defined. If anyone has any doubt about this, the 94 percent will dispel the doubts. And we might even have a larger percentage if, as you say, some sectors which consider themselves less represented (assuming that they were the 5 percent casting a negative vote) had cast votes in favor, if they had been more represented. And that would not be a negative factor.

[Question] Wouldn't this reflect, rather, the influence of one of the components of the CGTP?

[Answer] No, we believe that there is the same balance of forces and composition among the various trends of opinion that existed in the previous secretariat.

[Question] At any rate, in Armando Teixeira da Silva's final address, there appears to be a kind of warning to the so-called minorities....

[Answer] I don't think that there was any warning, but rather an alert to the influence of a secretariat with 94 percent of the vote and to what it represents in terms of democracy; and, of course, also an alert to those sectors which are now challenging the secretariat to reflect on their democratic behavior, in the event of any antagonism toward the secretariat.

[Question] Some time ago, mention was made of your possible resignation from the leadership of the CGTP, for one reason or another. However, this did not occur. Is there any explanation for the fact?

[Answer] No, there is no explanation; I just decided to stay!

Kalidas Barreto Sees Split

Lisbon O JORNAL in Portuguese 7 Mar 80 pp 4, 5

[Interview with Kalidas Barreto by Jose Pedro Castanheira; date and place not given]

[Text] During the past 3 years, Luis Kalidas Barreto has become converted into what some observers term a symbol of the openness and progress of the

CGTP-Intersindical. A militant trade unionist of Catholic training, and a Socialist Party deputy to the Constituent Assembly, he joined the first phase of the "Open Letter" movement. Elected to the CGTP secretariat at the 1977 Congress, he came into conflict with the PS leadership, leaving that party to found the UEDS, on whose slate he ran in the interim elections of last December. Kalidas Barreto tells us about this long career, his trade union plan and the significance of the Congress which opened yesterday.

O JORNAL: What were your goals when you agreed to join the secretariat at the 1977 Congress?

Kalidas Barreto: The main objective was unquestionably to reinforce the unity of the workers, essentially, and to try to introduce dynamics of open dialog into the Intersindical of that time.

[Question] Were you associated with the "Open Letter"?

[Answer] Yes, I was associated with the "Open Letter," and I was later in the CNOC. In the "Open Letter" there were certain requirements with which I did not agree. This prompted certain individuals to agree to remain in the CNOC, which was without the representative status of the "Open Letter," but really striving to have the Congress held in an open manner and be able to bring up certain issues again and lead to a united course of action. It was then that several individuals of Socialist views were invited, including Alice Rocha, Ruben Rolo, Gualdino Reis, Santana Costa and me, all of us labor leaders with experience and roots among the workers. And we agreed to participate in the secretariat.

Relations With the PS

[Question] Did you feel in any way a representative of the Socialist workers when you agreed?

[Answer] Naturally, I thought that I would reflect a trade union trend of opinion. I was really a person who thought differently, and who could, in a way, express the views of a trade union movement in the secretariat and reflect them there.

[Question] You belonged to the PS at that time. How did the PS react to your joining?

[Answer] Of course, there was a discussion in the PS. I put the matter of whether or not to join the CGTP up to the secretary general, and the question was turned over to me as a personal choice, which I had to make. Now the CGTP was something very important to the workers, and my choice was naturally the CGTP, because it represented a valid entity. With or without

the flaws that it had (and may still have), the CGTP was a democratic area in which people could better protect the workers' interests, and that was basically what concerned me.

[Question] Therefore the PS never backed you while you were in the CGTP?

[Answer] No, quite the contrary. There were public statements which hurt me considerably, because I thought that this discussion should have been held within the party, and that it was not through unpleasant public discussions that problems were solved. Personally, I sought such a debate. In fact, when the establishment of the party's trade union line was under discussion, I submitted a document with an alternative to the "Gonilha" plan which was not debated, nor even made public, which I sincerely regret.

[Question] Have you found many Socialist members in the various CGTP entities?

[Answer] Both in syndicates and unions there are individuals who are still in the Socialist Party and who uphold the trade union line that I have mentioned.

Second Federation Is Not Warranted

[Question] After 3 years have elapsed, do you consider the PS' position at the time of the CGTP's Second Congress a mistake?

[Answer] Frankly, yes. It has become increasingly clear to me that the proper place for a battle is in the trade union federation that we have, the CGTP-IN, of course in spite of certain defective practices that still exist. The federation is still the one representing the workers, the one which has best protected their interests and the one which, with the way in which it operates, has to some extent prevented the right wing from making further progress and other attacks on the workers from being perpetrated. I think that, if the PS had backed the entry of its members (not from a partisan standpoint, of course), some unpleasant things would have been avoided, such as the creation of a second trade union federation. It seems to me that the workers' interests are better protected when they are united, and not divided.

Now I don't think that we have reached an atmosphere of rupture in the trade union area that would warrant the creation of a second federation. A second federation has a reason to exist only after all dialog has been exhausted, provided it is created through the dynamics of the workers themselves. That was not the situation. On the contrary, it so happened that the conditions for dialog had not yet been exhausted, there was a possibility of many areas of agreement and, furthermore, it was not the workers' dynamics which brought about the second federation; it was merely partisan dynamics. It was a shame; because an intention which I still claim was

in good faith, was immediately supported and treated kindly by the right wing, and now the UGT is a trade union association dominated by forces which are not Socialist. Hence it may be said that the trade union line advocated by Maldonado Gonetla was "stolen" by the PPD's [Popular Democratic Party] social democratic trade union line.

[Question] Do you think that, in 1977, the PC might have agreed to parity?

[Answer] I think not. But other concessions might have been achieved. It is obvious that such things are not based merely on partisan terms. For any partisan force to be able to negotiate within the labor movement, it must have some trade union entrenchment behind it. And the fact is that the action based on the PS' trade union line has been so disastrous that it has actually led to its having very little entrenchment.

[Question] Who were the ones mainly responsible for those mistakes on the part of the trade unionists? Maldonado Gonetla was not yet in the party leadership....

[Answer] Not so much the PS work committee, which was even willing to accept integration, but the secretariat. The latter, and certain union leaders (only a few) who, for reasons of personal advancement, gave me the impression that they were interested in the division of the labor movement and the creation of a second federation, related to services. Two components entered into the dynamics of the "open letter": one really wanted the congress and unity; the other wanted a second trade union federation, at the outset.

Democratize and Debureaucratize

[Question] When you were elected to the CGTP secretariat, what were the fundamental goals that you set for yourself?

[Answer] Basically, it was to make the CGTP a democratic area. It was not that I thought, as many did, that the federation was undemocratic; but it is obvious that its conduct in 1974 and 1975 was not always of the best type. I would by no means be so impertinent as to claim that it was because of my influence, but there was a change, and if an observer really compared what the plenaries were like before 1977 and what they are like now, he would note a qualitative difference.

Furthermore, to debureaucratize, so to speak, a certain number of things that existed, even in closed circles. I also think that a great deal was achieved, although we are still being accused of bureaucracy, which is not difficult to have in a heavy apparatus such as the CGTP.

[Question] Hence, your assessment is positive?

[Answer] It is extremely positive. I can sincerely say that I am satisfied, and that I expected considerably less in the past 3 years; and it is worthwhile to struggle for unity.

Predominance of Communist Union Members

[Question] What do you say about the criticism that the CGTP is still a conveyor belt for the PCP?

[Answer] I do not agree. It is obvious that there is a majority of Communist members in the CGTP. But I must also tell you that the same thing holds true for the entire labor movement. And in this respect we must find out whether or not we really accept democracy. Those labor leaders were elected by workers, and it is they who know why they made that choice; we cannot ask them for an accounting, the accounting is given through an election. Therefore, such a predominance of Communist Party members is reflected here in the federation. But that does not necessarily mean going along directly with the Communist Party, as such, because there is actually a discussion within the federation including other members who do not express the same ideas and in which other data for analysis are present. If one analyzes the conduct of the federation, it can by no means be claimed that it is a conveyor belt for the Communist Party or for any other party; however, it is surely less so than others which claim to be independent and nonpartisan.

[Question] In this regard, do you think that there have been differences in recent years, for example, in comparison with 1975?

[Answer] Very clearly so. In 1975, the attitudes of the federation were often an immediate reflection of party decisions. Now, there is a certain harmony in the action: The Communist Party is on the side of the opposition; the workers who do not yet have the kind of government that they want must essentially be on the side of the opposition. At present, the action of the PS, which is on the side of the opposition, is more closely allied with the trade union federation; but we cannot say that for this reason we are a conveyor belt for the PS.

[Question] In the secretariat's executive group, which consists of nine individuals, there are three who do not belong to the Communist Party and who represent the minority movements. Do you think that those three have succeeded in imposing their positions?

[Answer] I do not care to talk in terms of majorities and minorities, because, basically, in an executive group which has worked for 3 years and has always made its decisions unanimously, one cannot say that there are majorities or minorities. What there is consists of different opinions and different trends of thought, which clash at some point in the analysis of a very pressing problem, but which have managed to surmount the differences.

[Question] Will the proportionality that exists in the CGTP's leadership bodies be upheld?

[Answer] Yes, I don't think that there will be any major change. The vast majority of the secretariat members still have the workers' confidence. It is a little like what happens in soccer: When the team is a winner, and has the confidence of the mass of associations, there should be no substantial changes.

The Challenge From the 'Minorities'

[Question] Throughout the past 3 years, many observers have stressed that there are different feelings among the federation members affiliated with the PC. Have you noticed such different feelings?

[Answer] It is clear that, on all levels of the labor movement, there are divided opinions among the PC trade unionists. There are obviously individuals who are radical, and whose thinking is not flexible: There is a directive, and it must be obeyed faithfully, without any slight variations! And there are others who really have a different capacity for dialog. They know how to discuss and hold dialog, and they have sufficient flexibility to accept the opposite view. I think that this is reflected in the purely political realm as well. There are at least two trends of thought among the Communist leaders. And if they are not trends of thought, they are at least different methods of acting.

[Question] If you were asked to be specific about this, in terms of individuals, would you be capable of it?

[Answer] I could give you various examples, but you know that it is a delicate matter, and I might run the risk of being mistaken....

[Question] You realize that you have been the object of a certain amount of challenge from several minority movements which do not feel that they are very well represented.... What can you tell me about this?

[Answer] I deeply regret that this criticism has come in an ill-advised manner, because, in the first place, I would have to ask: Where was I given that representative status, at what plenary or meeting did I make any promise to represent them?

As for my line of thinking, it is still the same as it was before 25 April, even predating that of some who were not even thinking about trade unionism. I am still consistent with my ideals, and I am still fighting for them. I simply think that it is not in public denunciations and outside of the labor movement that we can solve the problems of the workers' unity. I deeply regret that those comrades have not used their own methods which, insofar as I am concerned, would be far more proper for discussion purposes. However, I do not want to foster public debate, and I shall only tell you that I respect those comrades greatly, even though I do not agree with their methodology.

UEDS, the Interim Elections and the 'Front' With PS

[Question] Kalidas Barreto was one of the few CGTP national secretaries who never stopped appearing regularly on the job site. Is this due to a particular option?

[Answer] Yes, from a union standpoint, there is an option. I think that a union leader should never become dissociated from his rank and file. And his job site is the place where trade union action must begin.

[Question] How much do you earn?

[Answer] 18 contos, to support seven people....

[Question] You are a UEDS member, and you ran on the UEDS ticket in the interim elections for the Braga circle. Now that 3 months have elapsed, what analysis would you make? Are you sorry?

[Answer] I think that all experiments conducted in good faith and dictated by loftier interests are always valid, and should never be regretted.

I must say that this attitude of mine is not unique; there were other comrades, such as Santana Costa and Ruben Rolo, of UEDS, Joao Ribeiro, of APU, and Paulo Borges, of UDP. And this proved something quite clearly: the fact that there are in the CGTP individuals with different political options who, in spite of this, find here an area of their own for discussing the labor movement. Despite the political differences, they have not ceased to militate in a unified manner on behalf of essential interests. This has been extremely well received, especially abroad. It was a little weaker reception inside the country, but they liked it abroad; and for them it was concrete evidence that democracy exists within the CGTP.

[Question] If the front proposed by the PS should materialize, would you agree to be on the slates for deputy?

[Answer] I think so, but this does not depend solely on my desires, but rather on whether or not my participation is deemed useful. However, I do not exclude it summarily. In fact, I would like to participate directly in the election campaign, in a kind of front wherein I could help to remake the Socialist bloc which is necessary in Portugal, so as to prevent bipolarization, something that Dr Sa Carneiro is greatly interested in accomplishing to help defeat the right wing.

Errors in the Labor Movement

[Question] A short time ago you said that in 1975 there were certain errors in the activity of the labor movement. What were they?

[Answer] I did not mention errors. I cited certain mistaken acts in 1974-75 at plenaries, in the attempt to "attack" certain unions, and a certain amount of hegemony in all areas. This has not yet been completely eliminated from the action of individuals and unions. But the CGTP has been accused of much for which it is not to blame. Because at that time, it was in fact necessary to have a central power, marked by authoritarianism, which is not and has not been our practice. The decisions are made from bottom to top, and not from top to bottom.

This is an open structure, and things cannot occur in this way, like an order for service.

[Question] There is every indication that the CGTP will have a secretary-general after the Congress. Do you agree that there is a need for a secretary-general?

[Answer] On the contrary, at the moment there is every indication that there should not be a secretary-general. Everything should be kept as it is, with nine departments, one with the functions of a coordinator, but without the representative status of a secretary-general. Personally, I think that, in order to have a secretary-general, there should be a president.

[Question] What could result from the Congress in the area of relations with the UGT?

[Answer] The UGT's experience proves that it does not protect the same class interests that we protect. When it has a president who says that the AD's program is not incompatible with the UGT program, when its actions are dictated more by conciliation among offices than by the dynamics of the class struggle, when it follows a line nearly in accordance with management, it cannot really be considered a class association. I interpret unity of action as being only with our class comrades. Unfortunately, it does not yet exist with the UGT as an association. The UGT is one thing, and the members (and even unions) which are in it, with good faith, and which believe that it is their own area, are something else.... But, unfortunately, the majority in the UGT is a majority completely identified with AD; and AD is by no means protecting the workers' interests.

Therefore, it is not credible that we should have a different analysis of, and a different behavior toward the UGT at present. Generally speaking, any hypothesis regarding unity of action is unfounded; but this does not mean that there can be no unity of action among workers affiliated with UGT and CGTP unions; something which, if it is appropriate, could happen every day.

[Question] Would you be willing to participate in the tickets of the aforementioned Socialist "front," along with Torres Couto, for example, or even with Maldonado Gonalves?

[Answer] If the political options were close to my own, I would not be concerned about their trade union position; and all the more so because being in the "front" depends on a prior agreement regarding which I have very clearcut positions. Otherwise, as individuals, I have nothing against them.

[Question] Would a PS, which I think wants to be renovated, with the participation of members with different trade union options, be acceptable?

[Answer] I think that the ideal is one thing, and that what is possible is something else. At the present time, in order to form an alliance on such terms, we would have to consider it in terms of freedom of choice from a trade union standpoint: The people who belong to the UGT will remain there, and the same thing would hold true in the case of the people in the CGTP. But I consider it quite possible to find an agreed upon platform, such as exists in the French Socialist Party, wherein its members are either in the CFDT or the CGT [French General Confederation of Labor].

[Question] Under those conditions, would you be willing to reexamine the hypothesis of returning to the PS?

[Answer] I think that, for the present, that problem has not been posed in personal terms. In collective terms, I think that steps should be taken in the direction of rapprochement, and an electoral platform marked by independence, so that, for the sake of what is essential, it will be possible to remake the Socialist bloc, so that it may regain the predominance that it had and the leadership role in this country, in order to insure that the constitutional plan will proceed ahead.

[Question] If you could choose a trade union movement model existing in Europe, which would you select?

[Answer] Frankly, I have not found any model. Obviously, my trend of thought from a trade union standpoint is that which upholds self-managed Socialism, and which is not confined to the purely economic-oriented struggle, but is always part of a vision for the transformation of the society.

[Question] Imagine yourself in the position of a Portuguese worker in France. Of which labor federation would you be a member?

[Answer] The CFDT, of course!

ICFTU Unions Attend Congress

Lisbon O JORNAL in Portuguese 7 Mar 80 Supplement p 3

[Text] The presence of nine labor organizations affiliated with the ICFTU [International Confederation of Free Trade Unions] in Lisbon this weekend is perhaps one of the most prominent aspects of the CGTP Congress, which

reflects a real "forcing" in the realm of international relations. An attempt is thereby being made to demonstrate an open, pluralistic policy, as well as to secure backing for the candidacy for the European Trade Union Confederation for which the UGT is also competing. In all, there are about 60 foreign delegations.

Members of the International Confederation of Free Trade Unions (ICFTU), with which the UGT is affiliated, accepted the invitation to send nine national organizations to the CGTP Congress. They are the MTUC of Malaysia (a confederation to which the current head of the ICFTU, P. Narayan, belongs); the CTM [Confederation of Mexican Workers] of Mexico; the CTV [Confederation of Venezuelan Workers] of Venezuela; the Belgian FGTB [General Federation of Labor of Belgium]; the SAK of Finland; the ICTU of Ireland; the Italian CISL [Italian Confederation of Labor Unions]; the British TUC and the GLB, one of the movements organized by the Austrian OGB [Austrian Trade Union Federation]. The latter six organizations also belong to the ETUC; and the same holds true for three more confederations whose arrival is being awaited: two autonomous ones (the French CFDT [French Democratic Confederation of Labor] and the Italian CGIL [Italian General Confederation of Labor]), and an affiliate of the International Labor Organization (ILO), one of Christian orientation: the Belgian CSB.

Other affiliates of the ILO arriving are the CSN of Canada and the USO [Workers Trade Union] of Spain, in addition to a delegation from the international confederation itself, headed by the assistant secretary-general, Gerard Fonteneau.

Also responding to the invitation were various organizations not affiliated with any confederation on the international scale. In addition to those already mentioned, the CFDT and CGIL, there are the South African SACTU [South African Congress of Trade Unions], the Algerian UGTA [General Union of Algerian Workers], the Bolivian COB [Bolivian Labor Federation], the Chilean CUT [Chilean Trade Union Federation] (represented by the respective secretary-general, Rolando Calderon), the CCOO [Workers Commissions] of Spain, the SOHYO of Japan, the CST [Sandinist Workers Federation], the CNT [National Convention of Workers] of Uruguay and the CSY of Yugoslavia, among others.

The remainder of the national organizations accepting the CGTP's invitation (over 20) belong to the World Federation of Trade Unions [WFTU] of communist orientation, particularly noteworthy among which are the delegations from the Soviet CCSS [Central Council of Soviet Trade Unions], headed by the respective chairman; the Angolan UNTA [National Union of Workers of Angola], headed by its secretary-general, Pascoal Luvualo; and the French CGT [General Confederation of Labor], headed by George Seguy. The secretary-general of the WFTU, Enrico Pastorino, is also present. Finally, there are in attendance four supranational organizations, in addition to a delegation from the ILO and the EEC.

Not represented, although they were invited, are the ICFTU, the UGT [General Union of Workers] of Spain, the Scandinavian organizations, the DGB [German Trade Union Federation] of Germany and the UIL [Italian Union of Labor] of Italy, which has close relations with the Portuguese UGT. The ETUC (to which the CGTP and UGT have already requested admission) was invited, and excused its absence by the fact that, according to rule, it only participates in the functions of affiliated organizations. Neither the United States' AFL-CIO nor the CGT-Labor Force of France were invited.

UGT's Mota Interviewed

Lisbon O JORNAL in Portuguese 7 Mar 80 Supplement p 3

[Interview with Jose Barbosa Mota, member of the UGT's national secretariat; date and place not given]

[Text] The CGTP's Third Congress will certainly have effects on the labor movement as a whole; which is why the UGT's opinion of the event needs to be heard. Jose Barbosa Mota, a member of the board of the Aveiro Commercial and Office Workers Union, and of that union's national secretariat, replied in writing to O JORNAL's questions.

O JORNAL: Generally speaking, what is your view of the activity performed by the CGTP-Intersindical during the past 3 years since the 1977 Congress?

Barbosa Mota: In my opinion, the action taken by the Intersindical during the past 3 years has been typified mainly by an excessive use of much talk and rather inconsequential action, necessarily resulting in intolerable harm to the already long-suffering Portuguese workers.

In fact, the words of the Intersindical leaders have seldom been consistent with their own actions.

The workers know from their own experience that the Intersindical's actions have usually ended in failure, from the realm of collective bargaining to the pseudo-attempts to abandon sectarianism, something that was quite obvious from the representation of the Portuguese workers at the ILO conferences.

It might also be noted that, from the forced abandonment of the terminology of unification to the adoption of its substitute for unity, the Intersindical has not actually succeeded in going beyond its statements of intention, imbued with hypocrisy as a result of its lack of autonomy with respect to the Communists' political philosophy.

At the present time, the Intersindical is suffering the negative effects of its trade union activity, clearly reflected in its budgets, which belie its so widely proclaimed entrenchment among Portuguese workers, who are perceiving day by day that the only entity that is truly democratic and a protector of their interests is the UGT.

Mere Collection of Scattered Texts

[Question] What do you think of the CNO's proposal on a program of action and a list of demands?

[Answer] Insofar as the program of action and list of demands proposed by the CNO are concerned, they appear to me to be the result of a mere collection of texts previously published by the Inter in a scattered fashion, concerning which the UGT expressed an opinion at the time, proving, point by point, the insignificance and "political continuity" extracted from them.

Moreover, with regard to the "intersindicalist" view of the organic structure of the labor movement in Portugal, the fact that the UGT was not "recognized" by them was not exactly a surprise.

The UGT does not need the Inter to recognize it.... The UGT has the representative status lent it by the universal support of the majority of Portuguese workers and the international labor movement, which has been proven more than once, both on the higher level and in popular demonstrations. In short, the workers and the unions do not need the Inter to "recognize" the UGT as a higher-ranking union structure, which it actually is.

Negation of Democracy

[Question] Is the progressive change in the confederation's statutes heading in the direction of respect for the democratic standards upheld by the UGT?

[Answer] The progressive change in Intersindical's statutes is self-admission on the part of its leaders of the lack of democracy in that confederation, and of the need felt by them to lend the appearance of a progressive democratization which, in my opinion, does not exist and will not exist.

The action of Intersindical has been one of negation of democracy itself, and some of the changes made in its statutes at the previous Congress, as well as the proposals for change to be submitted to the Third Congress, are only attempts to find new arguments to use among the workers, in view of the present status of the Portuguese labor movement, which is increasingly evading their control.

Furthermore, if I may say so, trade union democracy does not exist in direct proportion to statutory standards that are ostensibly democratic, but basically in the implementation of those same organic standards, wherein the ordinary member feels involved and represented, either directly or indirectly.

Therefore, the upshot of these brief views on this matter is that, regardless of how much "mixing" Inter does with its statutes, it will always have the onus imposed on it by action that it has almost always pursued, which

is intrinsically linked with its own political and trade union philosophy, one that has, as we know, a very particular concept of "democracy" and the "structural democratic quality."

Absolute Continuity

[Question] It is obvious to many observers that the Intersindical has progressed substantially in terms of entrenchment among the masses and its type of operation since the 1975 Congress. What do you think of this? And in which aspects has that progress been most noticeable? On the other hand, in which aspects is there evidence of a certain amount of continuity, in your view?

[Answer] Contrary to what was said in this question, I don't think that there has been any progress, but rather a retrogression in its entrenchment. The Inter budgets, which I mentioned, are a conclusive indicator of its current lack of representative status.

As for the second part of the question, I observe, with some regret, an absolute continuity, both in language and in subjugation to the PC's positions, as well as in the corporatist action that still exists in the unions affiliated with it.

At a time when the labor movement has made great progress, both on the national and the international level, the Intersindical, contrary to what should be expected of it rightfully, is still an entity in complete stagnation, thinking and acting as it did 10 years ago, and showing a distressing lack of initiative, without the courage to break the umbilical cord tying it to a party which controls and directs it as it very well pleases.

[Question] What importance do you attach to the recent argument between the so-called "majority" movement and the various "minority" movements?

[Answer] In my opinion, it was a contrived argument, with short-term strategic goals, whereby an attempt was made to give the impression of movements and internal debate within an entity which we know to be monolithic, and in which changes never go beyond appearances.

'Only Those Who Are Cross-Eyed...'

[Question] What new developments could result from this Congress?

[Answer] As may readily be inferred from my statements, I do not believe that new developments will result from this Congress, but rather "progress in continuity," following the previous Congresses.

[Question] How do you view the possibility of the establishment of specific agreements between the UGT and CGTP regarding concrete problems of the workers? Is the UGT willing to take any initiative in this regard?

[Answer] In a gesture of good will, the UGT recently took the initiative to contact the Intersindical for the purpose of finding representation for the ILO conferences without any government sponsorship. However, strange as it may seem, the Inter did not give any response, preferring to let the government decide on the composition of that same representation.

It was clear that the Intersindical prefers the government's impositions to conversations with the UGT. However, in my opinion, it is not up to the UGT to take any future initiative regarding contacts between the two trade union organizations.

[Question] If you were given an opportunity to send a message to the CGTP Congress, in what manner would you express it, and what aspects would it pertain to?

[Answer] At the time of the convening of the Intersindical's Third Congress, there is an important factor which did not exist when the previous Congresses were held, and which must be taken into consideration. It results from the existence of a democratic trade union organization that is increasingly stronger and more representative.

Naturally, if I had the opportunity to send a message to the Intersindical Congress, it would be one telling the Congress members that "only those who are cross-eyed" could be unaware of the existence of the General Union of Workers.

'Reservations' About Inter

Lisbon O JORNAL in Portuguese 14 Mar 80 Supplement p 3

[Article by Jose Pedro Castanheira: "Has Inter 'Flunked' the European Test?"]

[Text] The manner in which the Third Congress took place and, particularly, the positions expressed at it in the realm of international politics do not appear to have been received very well by some of the European delegations, especially those affiliated with the ICFTU and ETUC. In statements made to O JORNAL, foreign delegations even admitted that the CGTP's candidacy for the ETUC might be seriously jeopardized.

All the ingredients had been carefully prepared in advance, to insure the success of the Congress in the international area. For the first time, the program of action called for openness toward the European Economic Community, albeit limited and dictated by reasons of a tactical nature; something which constituted a first response to the CFDT's reservations, less than 2 months ago, when it was in Lisbon for talks with the CGTP. Another new factor was the appeal for a "simultaneous and controlled dissolution of the military blocs," which did not fail to be a concession to the minority groups as a whole, as well as to the positions of a growing number of trade

union organizations, specifically those affiliated with the International Labor Organization (ILO).

But perhaps the most outstanding feature was the presence, among the 60 foreign delegations, of nine organizations affiliated with the ICFTU (a confederation with which the Portuguese UGT is associated) and of the same number of members of the ETUC (to which the CGTP and UGT have already requested admission). In fact, Alvaro Rana had done a good job....

'The CGT of 20 Years Ago...'

However, things seem not to have occurred for the better, or at least in the way that the CGTP would have liked. Behind the scenes at the Congress, among certain foreign delegations, there were even rumors that the CGTP had "flunked" the final, decisive test as a candidate for the European Trade Union Confederation....

A first reaction was evoked by the manner in which the Congress took place, which prompted one of the delegates, in a statement made to O JORNAL, to compare it "with the French CGT of 20 years ago, long before the changes made by May 1968." Our informant was referring to the cumbersome, rigid manner in which the Congress was held, without spontaneity or imagination, wherein the absolutely overwhelming and disciplined influence of the Communist members was obvious on all echelons. Moreover, the program of action and the list of demands, as well as most of the speeches by the delegates, reflected a trade union line which, in his opinion, had already had its day and had become outmoded in Western countries wherein Communist-oriented trade unions are in the majority.

Alinement With the WFTU

The enthusiastic and even exuberant manner in which the congress members received the delegations from unions of the Socialist countries, especially the Soviet Central Council of Trade Unions, did not fail to elicit some surprise. Moreover, the 4 days of activity disclosed the absolutely magic effect of the mere mention of the "Soviet Union," which was constantly met with a storm of applause, in contrast to the silence with which any reference to that superpower's policy was received.

The decision, reiterated once again, against affiliation with any of the three international federations did not, in fact, prevent the almost total alinement of the CGTP's foreign policy with that of the WFTU, with headquarters in Prague, whose orientation has been criticized by confederations such as the Italian CGIL [Italian General Confederation of Labor], the French CGT and the CCOO of Spain, all with Communist leanings. And it is no coincidence that the secretary-general of the WFTU himself, Enrico Pastorino, chose to grace the CGTP with his presence, which occurred for the second time in less than a year.

Rana and Afghanistan

But what carried the most weight, in the opinion of some of the foreign delegations, was the speech given by the CGTP's international secretary, Alvaro Rana. Of course it included, as it could not fail to do, a consideration of both the opening toward the Common Market and the prospect of a dissolution of the two military blocs (although there was never any mention of super-powers, much less imperialism). In the trade union realm, Rana attempted to force the doors of the ETUC open, addressing to it a "solemn appeal" and expressing the CGTP's "desire" and "availability" for "finding together solutions to the problems which are currently besetting the workers."

However, throughout his seven pages (significantly enough, representing the longest speech given by any of the members of the secretariat), Rana adhered faithfully to the Soviet Union's official method of analysis and positions. The alinement is evident not only from the positions that it assumes on various aspects of the international political scene, but also from the omissions (noteworthy in this regard is the silence concerning countries such as Argentina, Tunisia and Eritrea, not to mention the POLISARIO FRONT and FRETILIN [Revolutionary Front for East Timor Independence]).

There was great ingenuity in the reference to Afghanistan, consisting of a text distributed to the news media. Rana goes much further than the secretariat has to date, emphasizing what he terms "a revolution which put an end to the mediaeval regime in Afghanistan." The ambiguity of the reference leaves room for highly variegated interpretations, with the exception of one: an express, unequivocal condemnation of the Soviet intervention.

Serious Reservations Among European Federations

And it should not be thought that this is an insignificant matter, because, as we have already noted, it has commanded widespread attention in the area of international trade union relations. The CGTP opted for silence, which was only broken by its international secretary and by one or two congress members from the movements excluded from the new secretariat. That was not the position of two of the most illustrious guests: the Italian (Communist) CGIL and the (Socialist self-managed) CFDT, which made a point of referring to the issue in their messages of greeting. The French representative (who only agreed to take the floor after being heavily pressured, and even so, "warning" in advance that he intended to discuss Afghanistan) emphasized that his address would not be "necessarily diplomatic," and would call attention to the need to adopt "a clearcut language, without ambiguity," which observers interpreted as an obvious warning to the CGTP.

Also significant was the silence of the Italian (Christian Democratic) CISL and of the Belgian (Socialist) FGTP which, although invited to take the floor, did not do so.

Upon returning to their countries, many European delegates may have carried, along with their luggage, a certain amount of disillusionment; a disillusionment which may well be reflected when they are called upon to decide on the request from the Portuguese federation for admission to the European Trade Union Confederation. As we were told by a trade unionist of international renown who headed one of the major delegations, "I am afraid that the candidacy for the ETUC has been seriously jeopardized." We asked: "Does this mean a change in your position regarding the Portuguese labor movement?" "Not necessarily, particularly in view of the manner in which the UGT has been established, and the conduct that it has maintained...."

Additional UGT Reaction

Lisbon O JORNAL in Portuguese 14 Mar 80 Supplement p 3

[Text] The holding of the Third Congress of the CGTP-Intersindical could not leave the trade unionists who are calling for a different political-trade union movement indifferent. This is why we are publishing below a statement (prepared at the request of O JORNAL) by Vitor Hugo Sequeira, a member of the managing body of the Office and Service Workers Union, and national secretary of the UGT.

Preceded by an argument about the spurious issue of "majorities-minorities," the Third Congress of the CGTP/IN represented, before any other conclusion may be drawn, a shuffling of the cards, distributing the ordinary cards among the so-called "minorities" and keeping the trump cards for the house owners.

In my opinion, the policy of "majorities-minorities" is a spurious issue, inasmuch as the conclusions of this Congress with regard to organic restructuring did not introduce the mechanisms which would pay recognition to the existence of other trends of political and trade union opinion, including regulations for their representation and operation. The device found to cope with any internal disresepct was adopted when the Second Congress was held; that is, a few "cloaked persons" in the secretariat, ostensibly to break the monolithic nature of the sstructure.

The suspicions were confirmed, in other words, all the expectations that had been aroused regarding this matter, with the strange innovation of a few diversionary maneuvers, such as the completely fanciful instance of accepting a third trade union federation, which would include the Socialist trade union movement. It proved to be nothing but smoke without fire, and the swan song was once again in full operation, as may readily be inferred from the establishment of the new secretariat. If this is not so, in what section of the conclusions are we to include the answers to the questions which some union leaders so legitimately raised? And if they were not satisfied, why did they agree to participate in the secretariat?

Without the slightest intention of belittling the work in which several hundred delegates were engaged for a period of 4 days, the conclusions involving the minimal list of demands and the political strategy underlying it tell me that there will be nothing new in the CGTP-IN's line of conduct, which has always been typified by creating a ditch, plunging into it and becoming accustomed to the new situation that has been created which, unfortunately, is always progressively worse.

The statements about the "defense and guarantee of the Constitution and the democratic regime" must be associated with appropriate action, and the interests and rights of the workers are not abstract or secondary issues in trade union policy. The silence concerning the invasion of Afghanistan and the clever way in which the problem of the Common Market was injected, in my opinion, cost the CGTP-IN a final closing of the doors to the European Trade Union Confederation.

Before concluding, I would like to stress the fact that an excellent organizational capacity represents an optimal billboard, and the prints produced of it can hardly exceed the short term. The UGT will not delude itself regarding the number of workers claimed to be represented at this Congress; and there are conceptions and facts cited by the CGTP-IN itself which attest to this comment of ours; because, insofar as the well over 200 unions present are concerned, they are the best evidence that they themselves could provide regarding their lack of capacity for, or lack of interest in a valid plan for trade union reorganization.

2909

CSO: 3101

CARRILLO GREETINGS TO PCI PRESIDENT ON BIRTHDAY

Rome RINASCITA in Italian 14 Mar 80 p 28

[Article by Santiago Carrillo: "The Head of the International Brigade"]

[Text] All the soldiers of the Republican Army recall Commissioner Gallo of the International Brigades, whom they rediscovered later as the Luigi Longo who had directed in the north of Italy the armed struggle against the Nazis and as one of the great founders of the new Italian Republic along with Togliatti.

The name of Longo is linked with the epic of the brigades in Spain. Madrid, Guadalajara, Jarama, Teruel, Belchite, Brunete, Pozo Blanco, the Ebro, in all the great battles of the war he held a post of risk and danger. His austere face, his equilibrium and his imperturbable calmness, his ability as organizer and political and military leader have remained imprinted indelibly on the memory of thousands of soldiers, as well as his modesty, his rejection of exhibitionism, his efficiency. Luigi Longo is one of the great figures of the world anti-fascist struggle; one of the personalities who in that second quarter of a century contributed greatly to imposing a progressive direction on the history of humanity.

Here in Spain the brigades of volunteers, joined by the entire world, were a living testimonial to internationalist solidarity. At their head Luigi Longo strove with success to unite and fuse the volunteers, who spoke the most varied languages, into one body of soldiers, and to obtain a deep permeation between them and the Spanish soldiers. Under his leadership, the International Brigades were an example of combativeness and discipline under the Republican command and, at the same time, of noninterference in the internal affairs of Spanish politics. His relations with the civilian population were particularly praiseworthy; the simple people who had contacts with the International Brigades still remember with emotion and gratitude the aid received from them in the various rearguard actions, during the times--rare, certainly--when they withdrew from the front to reorganize and rest after the battles. The Spanish soldiers who came to supplement them, when the brigades, decimated under the enemy fire, had to be reorganized into a mixed group, are proud of having fought together with this courageous and disinterested man, animated by an indomitable anti-fascist spirit.

Those who have seen war know that to maintain all these virtues during those 3 years during which there were more defeats than successes, more bitterness than satisfaction, and during which the greatest probability was to lose one's life, is not an easy task. To this task, Luigi Longo dedicated himself completely, with his perseverance and tenacity and with a success which demonstrated his qualities as a leader and a man.

Dear Luigi Longo, in the name of thousands of antifascist soldiers, in the name of our comrade Dolores Ibarruri and my own, I salute you on the occasion of your 80th birthday and I repeat the affection, the respect and the admiration of the Spanish communists.

8956

CSO: 3104

PAPER HITS INSANITY OF MAKING NUCLEAR WAR 'LEGITIMATE'

LD141525 Stockholm DAGENS NYHETER in Swedish 6 Apr 80 p 2 LD

[Editorial: "Down With Arms"]

[Text] It is only 7 minutes to midnight!

The AMERICAN BULLETIN OF THE ATOMIC SCIENTIST has altered the hands on its doomsday clock for the first time in 6 years. It has been on the front cover since 1947 as a symbolic warning that there is not much time for the human race to get to grips with one of its most urgent problems. Since 1974 the clock has shown 9 minutes to 12. The situation has been described as better or worse over the years. But now we are told that we have arrived at one of the more worrying moments since World War II.

Even so, Afghanistan is not mentioned in the journal's analysis. There has not been time to carry out a complete evaluation of this latest international crisis. But there are nevertheless many warnings for those who have found reasons to alter the clock. At the beginning of the eighties the world cannot only look back on a tremendous process of national liberation for suppressed and underprivileged groups. The struggle for natural resources has begun to get tougher to an extent that people in general were not able to predict. We can no longer expect to get sufficient quantities of raw materials at stable prices. Oil is the most flagrant case. But there is nervousness about several important, so-called strategic commodities.

Countries and peoples have reverted to unpredictable and brutal patterns. The examples are all too easy to name: Kampuchea, Iran, El Salvador, Lebanon, Northern Ireland, Italy and so on. It is even more disheartening to note that the hawks seem to be gaining ground within both superpowers, perhaps chiefly because the powers fear that they are losing their grip on the situation. If we cannot offer resistance, the world will move toward even greater militarization.

Many more than 100 wars have already been fought since World War II. For 35 years, however, since Hiroshima and Nagasaki, the human race has

been spared the use of nuclear weapons. We have been lucky. But history gives no guarantees for the future.

A number of observers consider that the risk of nuclear conflict is growing at present. Such warnings come with increased intensity from the International Peace Research Institute in Stockholm, among others. The attempts to reduce the speed of the lunatic armaments carousel itself have collapsed, at least for the present. Using Afghanistan as an excuse, U.S. President Jimmy Carter has given up his attempts to persuade the American Congress to ratify the latest agreement on limitation of strategic arms, SALT II.

Instead, the United States is now on its way into a new phase of rearmament, with weapons of mass destruction which by virtue of their technical design alter the balance of power between the great power blocs. In America's NEW YORK REVIEW OF BOOKS, the radical economist Emma Rothschild wrote recently that an encouraging tendency toward change in national priorities has been broken in the United States. Now there is the prospect of a relapse into militarization of the entire American economy, with the concomitant risk of aggravated inflation and serious damage to society, she believes. This, when all is said and done, is not the driving force which the American economy and, indirectly through the central role of the dollar, the world economy needs.

But the fact that the disarmament process is threatened is also the fault of the Soviet Union to a great extent. The Soviet Union stubbornly continues to acquire more and more missiles with much greater throw-weight. Outside the ranks of the nuclear nations a number of states can be suspected of trying to produce their own nuclear arms. Nonmilitary nuclear power is at present spreading knowledge over large parts of the world. When this knowledge is misused for military ends the consequences could be disastrous.

We must not resign ourselves to this frightening trend in the field of nuclear arms. We must, as Alva Myrdal put it on this page recently, negotiate, negotiate, negotiate.

One goal must be to persuade all nuclear states to promise never to use nuclear weapons first. There ought to be no difficulty at all in securing such binding promises from nonnuclear states. The old demand for a complete ban on nuclear tests must be intensified as soon as possible, and ideally be coupled with a ban on the testing of weapon delivery systems to stop the destructive race for ever more cunning solutions.

It is especially important for us in Europe to safeguard continuing dialog now, as the cold sweeps in from Afghanistan. There is no alternative route to security.

Gruesomely enough, many military and strategic experts are talking of the possibility of waging supposedly small, controlled nuclear wars as if these were realistic alternatives infinitely preferable to full-scale strategic exchanges. Militarization follows its own twisted laws, and the argument is not a new one. What is new is the very trend in arms development toward weapons with greater precision and accuracy. This development is such that the thought of really being able to fight such a war with nuclear weapons has been given strong new impetus.

There is a great danger that nuclear war is insidiously becoming legitimate. For this reason we must not tire. The insanity in the motives now being put forward for new steps toward rearmament must be fully unmasked and impressed upon all. At the moment there is perhaps no task more important.

CSO: 3109

GEORGIAN OFFICIAL RECOUNTS RECENT TURKISH POLITICAL DEVELOPMENTS

Events of 1971

Tbilisi KOMUNISTI in Georgian 19 Feb 80 p 4

[Article by Otar Gigineishvili: "Heavy Smoke. That Spring and This Winter in Ankara"]

[Text] Spring came early to Ankara that year... A warm breeze wafted through the valleys.

In February the almonds blossomed and buds appeared on the jasmine.

Clouds hung in white puffs in the skies of Anatolia.

Strolling people thronged Ataturk Boulevard, which descends from Cankaya Hill down to Ulus Square. Ataturk Boulevard is as beloved to Ankarans as Rustaveli Prospekt is to us Tbilisians. People come here to see their friends and exchange greetings; they stand in groups and talk for hours on the sidewalks. In Ankara you find out the latest, up-to-date, "completely reliable" news here on Ataturk Boulevard rather than from the newspapers, radio, or television. Rumor--domestic and foreign politics--are rife here; here also is where people praise or mock public figures. People discuss football players and wrestlers, Turkey's most popular athletes who are esteemed as national heroes. And they talk about their favorite nightclub singers--Emel Sain, who is acknowledged to be the most beautiful woman in Turkey, and where she sang last night, and how Adja Pekan, the Queen of Song, looked.

In my spare time, I also like to stroll leisurely along Ataturk Boulevard. Today I walked down the street toward Zia Gokalp Prospekt. I tipped my hat to one or two acquaintances, spoke with a couple briefly. At first glance, everything seems calm, but from time to time the city's outwardly peaceful rhythm is suddenly disrupted, like the pulse of a sick person.

There is an unusual number of military patrols and helmeted policemen in the streets. Frequently the sounds of explosions and machine-gun fire are to be heard, and the wail of sirens invades the noisy streets.

The name of Deniz Gezmiş is on everyone's lips. His unit [otryad], operating under the name of the secret "People's Liberation Army," has robbed a number of banks, set off several explosions, and had several armed clashes with the police and gendarmerie. All police and gendarmerie forces have been mobilized to capture Deniz Gezmiş, and they are ransacking Ankara block by block.

Day before yesterday they searched Cebec, yesterday it was Ayran, people say, today the gardens of Seyran, trying to find Deniz Gezmiş. There is unrest in Ankara, Istanbul; the students are agitated. Studies in Turkey's universities have been halted for some time.

I dropped by Ankara University to see a professor friend of mine. The students' picket line stopped me; they examined my credentials for some time, "You're not a strikebreaker, are you?"

After the striking students, the police stopped me to check if I was bringing in a bomb or firearms.

A number of times in Ankara and Istanbul, student unrest led to armed clashes with the police. The wave of strikes and demonstrations spread all over Turkey, and blood was shed. İsmet İnönü, Kemal Atatürk's closest co-fighter and known as Number Two in Turkey (Kemal Atatürk is called Number One, although he is actually The One and Only), and leader of Turkey's People's Republican Party after Kemal's death, said: "What ended in bloodshed can never be healed..."

In this whirl of events, Turkey's prime minister and leader of the "Justice Party," Süleyman Demirel, is obviously floundering. Where now is the Süleyman Demirel I remember from 1965, when he was battling fiercely for the prime minister's chair? That year the "Justice Party" won in the parliamentary elections and gained an absolute majority of deputy seats. The coalition government that had existed up to then was replaced by a one-party government, and Süleyman Demirel, who had occupied the chair of vice [zamestitel'] prime minister in the coalition government, took over the prime minister's chair. Many Turks at that time thought that the new prime minister would work miracles, that Turkey would overcome all her economic difficulties and head toward rebirth. The joyful shouting of the victors drowned out the voices of skeptics. But there were to be no miracles, for Süleyman Demirel could not deliver any.

In broadcasting the news, the tone of radio and television announcers is more and more agitated, and notes of alarm are sounding ever stronger in the newspapers as well. Atatürk Boulevard is seething with a thousand rumors. The secret People's Liberation Army has announced that it will step up its attacks and explosions until complete victory is

achieved. At every step on the streets, on the fences and buildings, are the slogans of the Revolutionary Youth Organization (or Dev-Genc as it is known in its Turkish abbreviation). Reactionary forces are making an obvious attempt to blame acts of violence on the progressive forces and take advantage of the crisis to settle accounts with them. What is happening is no accident; in fact, it is the logical result of Turkey's particular development. Kemalism, arising on the base of social relations of a specific half-colonial and half-feudal economy, transformed monarchic-theocratic Osmanlia into petit-bourgeois republican Turkey. Social problems remained unsolved and villages remained in the hands of the big feudal landowners. After World War II Turkey changed from a one-party system (only the People's Republican Party was allowed in the country) to a multi-party system, but legalization of the parties affected only the bourgeois parties and did not extend to the Communist Party. It remained underground. To this day, legalization of the Communist Party constitutes one of the chief aims of the struggle of Turkey's democratic and progressive forces.

After World War II, Turkey's industry began to develop at a rather rapid rate. Many new plants were built, several of them with the USSR's help. Metallurgy, oil refining, and automotive industries were built up. Today, Turkey produces three makes of small cars--Fiat (like our Zhiguli), known as Murad (the automotive plant is in Bursa, the former capital of Osmanlia, where Murad I, Osmanlia's third sultan, is buried), Renault, and Anadol.

To be fair to Turkey's industry it must be said that it does not turn out bad products. For example, in terms of quality Turkish textiles are competitive with English textiles in world markets. Turkey is seeking foreign markets to sell Mercedes motor buses assembled partly from parts made in Turkey and partly from parts imported from outside. Turkey's working class has multiplied and grown strong organizationally, also the trade unions, among which the Revolutionary Worker's Trade Union Federation stands out.

The classics of Marxism-Leninism have been translated into Turkish and are very popular among the people. Works by progressive writers sell fast, and Nazim Hikmet is the most popular writer.

If we are to believe rumors overheard on Ataturk Boulevard, a military coup is being prepared, but no one knows anything, for sure. Radio and television are sounding the alarm, and the newspapers are full of rumors heard on Ataturk Boulevard. Suleyman Demirel is in hiding somewhere, no sign of him anywhere, no one knows anything about him; on the other hand, General Mahmud Tagmac, the chief of Turkey's General Staff, has gradually come to the forefront. On the radio, television, and... Ataturk Boulevard, he is the most discussed, even more than Deniz Gezmiş.

Mahmud Tagmac gave several speeches in succession. He spoke before the officers' council and said that the necessary timely steps would be taken, and advised his audience and all of Turkey's army not to panic.

He repeated the same thing a few days later before commanders of the First, Second, and Third armies. For the second time in a row an extraordinary session of the Supreme Military Council was called; ordinarily it is convened only twice a year, in February and August. Tagmac is trying to convince Turkey that he is the defender of Turkey's democratic system. It is beyond doubt that the military circles have decided to act, but in what direction? As to whom, exactly, Mahmud Tagmac is threatening was clearly explained by Demirel's Interior Affairs Minister Haldun Menteseoglu. He is trying to convince Turkey that there is a danger of a "communist" overthrow!...

Bombs are bursting somewhere still. Machine-gun fire is still to be heard, sirens scream in alarm.

It's a sunny day. The budding trees sway gently in the breeze. My windows are open. Someone across the street has turned on the radio, and Ajda Fekan is singing her sweet melodies:

"I cannot forget your eyes,
I cannot forget your words,
I cannot forget you..."

At 13:30 the song abruptly stopped and the announcer's voice was heard. Ankara Radio was broadcasting an ultimatum by Turkey's Chief of General Staff Mahmud Tagmac, Land Forces Commander Faruk Gurler, Naval Commander Admiral Celal Eycioglu, and Air Forces Commander Muhsin Batur. The generals demanded of the republic's president and the chairmen of the chambers of parliament that the government resign. Otherwise, they warned, we will seize power directly or depose the president and dissolve parliament. The generals announced that they were there to save Turkey, and they promised to do away with internal conflicts and overcome economic difficulties.

It was dusk when I made my way out onto Ataturk Boulevard by way of dark side streets. I observed armored vehicles. There were more military patrols now. Busloads of armed police were going up Cankaya Hill. A little newsboy blocked my path and yelled with all his might, "Ultimatum, Demirel Resigns." I bought a copy of the extra edition and read in big headlines on page 1, "Demirel's Government Resigned Today at 17:30 in Accordance With Military Commanders' Demand." Beneath the text was a large photograph of Demirel just as he was being handed the ultimatum. The prime minister was smiling happily. He was obviously glad. The ultimatum was the most convenient way for him to resign.

It was the end of the day, 12 March 1971.

The next day saw the beginning of the persecution of the progressive organizations and persons.

Turkish Politics, Soviet Relations

Tbilisi KOMUNISTI in Georgian 20 Feb 80 p 4

[Article by Otar Gigineishvili: "Heavy Smoke. That Spring and This Winter in Ankara..."]

[Test] Some years have passed, not many to be sure, but now it is spring again. A warm breeze wafts down from Mount St. David. The plain-trees are rustling along Tbilisi's streets, jasmine is flowering in Tbilisi's gardens. Strolling leisurely along Rustaveli Prospekt are I and retired Air Force General, now Senator Muhsin Batur. We come to the building that formerly housed the Orient Hotel, where Enver Pasha, Osmanlia's dictator after World War I, lived for some time in 1920. In front of Kashveti I recall something I saw as a child: the funeral procession along Rustaveli Prospekt for Enver Pasha's cohort Cemal Pasha, who was murdered in Tbilisi at the corner of Peter the Great and Zhukovskiy streets (now Dzerzhinskiy and Chaykovskiy streets).

I explain to my guest who Rustaveli was, why we love Ilia Chavchavadze and Akaki Tsereteli, how Vazha-Pshavel hymned the mountains, and where Amirani was chained to the cliff. Muhsin Batur listens attentively. "We don't know each other very well yet," says the Senator. "In the future we must make efforts to acquaint our peoples with each other. Improved relations with the USSR must become the cornerstone of Turkey's foreign policy. The Turkish people need the friendship of our northern neighbors, the Soviet people, and we in Turkey must support the Soviet Union in the struggle for peace." I do not doubt the sincerity of Muhsin Batur's words.

We showed Muhsin Batur all of Georgia, from the Alazani Valley to the coast of Kintrishi. He gazed upon the boundless vineyards of Kakheti and the citrus orchards of the Black Sea Coast, schools and factories. "We ought to be friends, great friends," said Muhsin Batur several times. We walked for a long time, strolled along the banks of the Kura, and looked out over Tbilisi from Tskaro District. The retired general recalled many things he had seen in Turkey and abroad, but among his many recollections he said not a word about 12 March 1971. Nor did I. This recollection lies heavy on him.

It is winter. Ankara's mountains are covered with snow, ringed as they are around Turkey's capital city. Winter is a gloomy season in Ankara. Low-grade coal burns poorly, and terrible smoke issues from the chimneys of Ankara's buildings. A heavy smoke lies motionless in the ravines, on Ataturk Boulevard, in Kizilay, Sihiye, and Ulus Squares. It burns

the lungs like poison gas. Even during good weather, the sun barely penetrates the thick pall of smoke.

The rare snowflake falls to the pavement and is immediately blackened in the thick layer of coal ash. Numbed by the damp cold, military patrols march listlessly along Ataturk Boulevard. On Kizilay Square an armored vehicle with machine-guns poised looms like a spectre, alongside it stand stolid busloads of police.

It is dusk. I have turned off Ataturk Boulevard and come into Gaziosman Heights District via Bulbuldere Street. Now it's easier to breathe. The smoke is so thick that it does not stay on top of the hill but rolls down toward Kizilay Square like a rockslide. My friend lives on top of the hill. We sit before the television in a small, carpeted room on the top floor of his house. During the day in good weather, he has a fine view from here. Far away one can see bare mountains, beyond them are more mountains, roads, and trails, and then finally--the Chorokhi River and the Arsiani Range; there is found the source of the Mardzhani and the Margalita, where our own Kura is born. I remember as a child receiving as a present sets of DZHEDZHILI magazine, in which I read "The Source of the Kura, the Chorokhi, and Queen Tamar," written I believe by Il. Alkhazishvili. After that, the Source of the Kura and the headwaters of the Mardzhani and Margalita became my dreamland. My friend comes from there. He also gazes toward the distant, bare mountains cloaked in darkness. In a quiet voice, nearly too soft to hear, my friend says, "We have many fortresses; the people say they were built during the reign of Queen Tamar."

Ankara Television is broadcasting the latest news. To a foreigner, much of it is strange, but everyone here has got used to it, and so have I, so I listen to it as usual. As a rule, the announcer begins the news with accounts of killings--but not the kind where an accidental bullet, or a quarrel, brings a man down... Most of the killings these days in Turkey are political.

Turkey has had a new prime minister for several days now, Suleyman Demirel. For a long time he has promised Turkey that he would declare a holy war against terror and anarchy, but so far his promises remain just that.

Six persons have been killed today, in Ankara, Istanbul, Izmir, Adana, Malatiya. And the day is not over; it's only 8:00 in the evening, and who knows how many victims there will be by midnight.

Yesterday, four killings were reported, and after the newscast another person was killed. That's the way it is every day, and it's been that way for some time.

Lately, professors have been the target of attack. Journalist and historian Ilhan Darenderlioglu was killed, and 14 hours later Istanbul University Professor Umit Doganay; a few days after that it was Orhan Tutengil...

On the average, six persons are killed daily for political motives. "Six murdered persons" has become the average figure in Turkey, a "daily norm."

The strange thing is that the murders take place in broad daylight, on crowded streets, in front of everyone. The killers get away in cars, the police are helpless--they rarely catch the killers. But what good would it do to jail them? Prisoners are always escaping.

Mehmed Ali Agca was one who escaped. He killed the well-known journalist Abdi Ifekci. A few months later, Agca was arrested and, as a dangerous criminal, he was placed in Istanbul's special Maltepe Military Prison. One fine morning it turned out that Agca was no longer there. How he managed to get out of there, crossing the big garrison yard and eluding the guards at the gate, no one knows. The next day, all of Turkey's--indeed, all of Western Europe's police--were placed on alert. They picked up everyone who remotely resembled Agca's photograph, but in vain: no one has determined whether Agca was swallowed up by the sky or the earth.

Several days later, the editors of MILIYET (for which Abdi Ifekci worked), received a letter...from Agca. Experts confirmed that Agca had written the letter. He informed the editors that his reason for escaping was to attack the Pope. The ending read: "Respectfully, Mehmed Ali Agca." The Pope was just about to visit Turkey, and Turkey was preparing a festive greeting for him. Agca's letter was worse than a bomb. They wouldn't allow the Pope to set foot on the ground, but conveyed him everywhere by helicopter.

It became dangerous to go to movies or restaurants. Bombings occurred everywhere, people were dying. Not a day went by without a bank being robbed of millions. Armed clashes with the police and between rival political groups grew more frequent. In a clash between students and police at the time of Orhan Tutengil's funeral, one was killed and 13 were wounded. That same day, five more persons were killed on political grounds in Malatya, Ayri, Kayseri, Adana, and Zeytinburnu.

I was the Turkish professor's guest. He is also well known outside Turkey; if it were not for his works, it would be impossible to study Turkish history today. Deeply disturbed he told me, "I haven't left home since this morning--I'm afraid. I keep looking out the window in case someone is lying in wait, or someone suspicious is lurking at the gate."

"But what have you to fear? You're not mixed up in the political struggle."

He shrugged his shoulders.

"But it isn't only political figures that they're attacking. I'm sure that more than half of those who are attacked don't even know why, and the motive isn't determined after death either. All it takes is for someone to take exception to your opinions and they'll get you."

There seems no end to shootings and attacks. They're shooting at each other, they're shooting at cars and windows, they're shooting from cars and windows.

A little while ago HURİYET came out with a huge headline: Anarchy!

Partial elections to parliament were held on 14 October 1979. Some 50 senators and 5 Meclis deputies were elected. Most of the newly-elected senators belong to the Justice Party. The Justice Party's candidates also won in the Meclis deputies election. In the senate, the majority passed into the hands of the Justice Party. But in the Meclis, the number of newly-elected deputies turned out not to be enough for the Justice Party deputies to outnumber the People's Republican Party, and since the fate of the government is decided by the Meclis rather than the Senate, Bulent Ecevit could still have tried to stay in power, but the election defeat affected him so much that he decided to step down immediately.

In the additional elections, the defeat of the People's Republican Party was not unexpected, whereas people expected a miracle from Suleyman Demirel and he couldn't deliver, so that his authority declined rapidly. Bulent Ecevit, who replaced Ismet Inonu as leader of the People's Republican Party, turned up in the arena of Big Politics.

Ecevit is a good speaker; he orates well in parliament, at rallies, and meetings, and as one public figure aptly noted, he is a good member of the opposition [oppozitsioner].

But for a statesman it is not enough to be a good member of the opposition. Above all he must know how to govern. Ecevit gained many sympathizers with his policies, reflected in the formula "A little left of Center." He attracted to his side the reformist elements in the workers' movement, for which he established close contacts with the social-democratic parties of Europe, and the army and rightwing elements by invading Cyprus.

That was the zenith of Ecevit's popularity, years of hope as he himself put it. After that, his popularity curve began to go down. A few years

went by, and last November in Ankara I got hold of a new book dealing with Ecevit, "Lost Hope." The book's front cover shows a picture of Ecevit holding a sputtering candle.

It must be said that Bulent Ecevit's government took some practical steps toward establishing good-neighbor relations with the Soviet Union. Questions of relations with the Soviet Union occupied a prominent place in his government's program of action.

Ecevit told me, "I understand the great importance of good-neighbor relations between us and the Soviet Union."

During his tenure as prime minister, trade between Turkey and the USSR grew and economic relations became closer. Steps were taken to strengthen cultural ties, scientific contacts were revived, and a number of important agreements were made, including one concerning the Black Sea. Since I come from Georgia, Ecevit placed special stress on the fact that his government resumed construction on the highway from Hopa to Sarpi, which was halted by the previous government. According to Ecevit, construction of the highway will be completed in 1980 and it will be possible to open a border crossing point in the village of Sarpi.

Economic Conditions, Foreign Policies

Tbilisi KOMUNISTI in Georgian 21 Feb 80 p 4

[Article by Otar Gigineishvili: "Heavy Smoke. That Spring and This Winter in Ankara..."]

[Text] During that conversation, Bulent Ecevit also told me, "Now it is especially necessary that we strengthen our trust for one another."

I answered, "There is absolutely no reason why trust should not exist between us. If what you have in mind is the distant past, the history of Russian-Turkish relations gives no grounds for distrust! In this regard, the historians are probably somewhat at fault, because they write quite a lot about the wars between our countries but say nothing, or practically nothing, about the Russian-Turkish military alliance when Napoleon marched against Osmanlia. Just as little known to the public at large is the 1833 treaty between Russia and Turkey, by which Russia undertook Turkey's defense in a very critical period of Osmanlia's history. At that time, Russia rescued Turkey from partition. Not to mention the Turkish people's national-liberation struggle against the Entente, when Turkey faced an even graver and real threat of partition. It was Soviet Russia's generous military, economic and diplomatic help that rescued Turkey from national catastrophe. The story that Turkey is threatened from the North, therefore, is completely groundless."

This conversation took place at the end of April 1979. The October elections were not far off. Ecevit's government was being attacked by the rightwing parties, but he was still hopeful. Nevertheless, the book "Lost Hope" was already in press.

During Ecevit's administration, Turkey continued to plunge rapidly into the abyss of inflation. No matter what it tried, the government couldn't even slow down the rate of inflation, let alone stop it.

The fundamental reforms necessary to rectify Turkey's economic condition and stabilize the country politically could not be carried out by Ecevit's government, because of its very nature. Election promises remained just that, and life went on as before. In late 1978, the Turkish-manufactured small car Murad (Renault) cost an average of 205,000 lira; toward the end of 1979 the cost had risen to 423,000. The cost of a 400-liter refrigerator rose from 11,000 to 21,500 lira, a TV set--10,500 to 24,500, a meter of fabric for a man's suit--328 to 800, women's dress fabric--300 to 900; velvet, which is now very fashionable all over the world--and fashion in Ankara and Istanbul follows Paris (Turkey is a country of French fashions, and has been for a long time)--200 to 300 lira; a tire for a Murad--850 to 2,895; a kilogram of macaroni 13 to 25. Well, prices have gone up, of course, but many items have simply disappeared from store shelves, for example olive oil and sunflower oil. Anyone familiar with Turkish cooking can imagine what this lack of oil means to a Turk.

When he left the post of prime minister, Bulent Ecevit summed up what his government had accomplished. Naturally, he spoke of what he considered to be achievements. In his views, the country's foreign currency reserves had grown: In 1977 (the year of the last general parliamentary elections) reserves totaled 629 million dollars; now, he said, the figure stands at 931 million.

It was not for nothing that Ecevit emphasized the state of foreign currency reserves, for the lack of adequate reserves has been one of Turkey's chronic ailments. Indeed, Ecevit did a great deal to see to it that foreign currency was spent thriftily. But his measures in this regard were quite unpopular and weakened his authority among Turkish philistines [obyvateli]. Revenue increased from foreign trade and foreign tourists; foreign debt declined; there was an increase in the production of man-made fertilizers, which are so essential to Turkey's agriculture.

All this is good, of course, but you can't satisfy Turks with abstract figures. What they want above all is to halt the inordinate rise in prices, or at least to slow it down. From the government, no matter who heads it--Ecevit or Demirel--Turks above all require (in addition to halting rising prices) elimination of unemployment, land reform measures (which every government since World War II has promised), an end to

anarchy and terror, curbing of ultra-right and ultra-left elements, internal political stabilization, and increased democratic rights. But in 1979 not one of these requirements were met--in fact, Turkey fell behind in all these parameters. There was no doubt about Ecevit's resignation in Turkey; he was the victim of anarchy and inflation.

My affairs were such that I happened to be in Turkey in 1965, when Demirel was advancing triumphantly and took over the prime minister's chair. I was there again in March 1971, when Demirel, to his joy, was deposed by the generals. I was there in December 1973, when Ismet Inonu died and all Turkey not only mourned him as a national hero but also argued heatedly as to the character of the party leaders represented in parliament. Leaders of the small parties, of course, were of no real account. Just two counted: Suleyman Demirel and Bulent Ecevit. Demirel's authority was already shaken, while Ecevit's star was rising. Ecevit was largely unknown as a leader, so his success was assured. But what is happening now, in the transition from 1979 to 1980, since Bulent Ecevit's resignation? There is no longer any choice on Turkey's political horizon. There was once, now there is not. Hope has vanished, but since the fall of Ecevit's government Demirel has at least tried to restore "a government of hope." To make the hope more convincing, he appointed new and relatively young persons to ministerial posts: 33-year-old Metin Musaoglu and 36-year-old Koksai Toptan as ministers-without-portfolio, 40-year-old Hasan Ekinici as Minister of Forests, 40-year-old Sumer Oral as Social Security Minister, and 44-year-old Barlas Kuntay as Minister of Tourism.

Prior to the October elections and during his assumption of the prime-ministership, Demirel did not hesitate to make promises and, during his very first days in office, he "lit a torch," as people said: he reduced the cost of medical examinations from 30 to 5 lira, that of surgical operations from between 100 [sic] and 3,000 to between 100 and 1,000 lira, and that of analyses from between 50 and 250 to between 5 and 50 lira. The propaganda effect was considerable. For two or three days, Demirel's popularity shot straight up, but two or three days after taking office he boosted cooking oil prices by 100 percent (and it was not available in the stores anyway) and cement by the same amount--a move which made construction and, consequently, rent more expensive. Thus did the new government open a "new season" in cost of living increases.

Many items followed cooking oil and cement. Not a day goes by without a price hike on something. Demirel promised the voters two major things: to halt inflation and to put an end to anarchy and terrorism. In reality, inflation continues and anarchy and terror are getting worse. In the general opinion of the Turkish press, Demirel will have to resolve two burning issues in foreign policy: the island of Cyprus and the Aegean Sea. Neither one can be resolved overnight, but so far no resolution is in sight for either one.

By chance, I was walking by Turkey's Council of Ministers Building when Demirel's green limousine drove up to the entrance. He was just returning from the Presidential Palace, and he was beaming--just as he had been in the photo published in the newspapers on 12 March 1971; he was just as happy this day.

The next day, the newspapers published the 100-day program of Demirel's government.

Demirel is not forgetting that he does not have an absolute majority in the Meclis. His government, therefore, is shaky--much shakier than Ecevit's had been. For this reason, in order to stay in power Demirel needs to enter into a bloc with other parties in order to withstand the inroads of the People's Republican Party. But this is a less than certain prospect--not because another political party will demand different policies, but because Demirel's allies will demand ministerial portfolios, something which is inconvenient to him, because he would lose supporters in his own party. They might desert to Ecevit if he promises them ministerial posts.

There is nothing strange in this, it is the usual way. For example, Demirel conferred minister-without-portfolio posts on two such renegades from the People's Republican Party, Metin Musaoglu and Ahmed Karahan. Several Justice Party figures who expected ministerial office and did not get it are annoyed at this and are ready to bolt to Ecevit.

Ecevit is also active, trying to lure to his side various disaffected Justice Party deputies and senators and negotiating with leaders of the minor parties in order to gain a parliamentary majority in the Meclis with their help and return to power.

Suleyman Demirel has surmounted the first hurdle; he received a vote of confidence in parliament, even though the People's Republican Party voted against him. Now a second and possibly higher hurdle must be surmounted. The first 100 days are coming to an end, and Demirel must submit the new draft budget to parliament. Ratification of a new budget is always a severe test of Turkish governments, and it will be even more so this time, when the first 100 days' report is to be approved along with the budget. The first 100 days didn't bring Napoleon much good; what will they do for Demirel?

After the new government received parliament's vote of confidence, the newspaper *MILLİYET* printed a sketch portrait of Demirel. In it, the prime-minister's face is divided in two: The right side is laughing and happy; the left side is full of despair. The right side is sighing with relief, for parliament has given it the vote of confidence; the left side is saying, "Woe is me, what will I do?"

Indeed, what is Demirel going to do? That's what people are discussing now in Turkey, that's what the newspapers and magazines are printing, what radio and television are broadcasting, what people are talking about on Ataturk Boulevard where, as usual during times of political crisis, rumors are flying thick and fast. One thing, however, everyone agrees on: 1980 will be harder for Turkey than 1979 was. Anarchy will get worse, inflation will continue to climb. What will be the results of Turkey's new military treaty with the United States and her granting of military bases to the Americans? Here again, opinion is united: it will cause already-inordinate military spending to soar, which will accelerate the worsening of the country's economic condition. Ecevit raised the question of stronger mutual trust between our two countries. Clearly, such a treaty with the Americans will hardly promote trust between us.

These are the prospects. Is 12 March to be repeated? Will the forces of reaction be able to attack the progressive forces, everything which is progressive?! Nine years have passed since 1971. Not such a long time, but enough. In that time the balance of forces in Turkey has changed. The democratic-progressive forces are stronger now than nine years ago. Everyone is aware of this in Turkey.

Let us not forget Ismet Inonu's prediction.

Ankara Television is still reporting the names of new victims of terror in each evening's broadcast.

It's winter now in Ankara, the mountains are covered with snow, the chimneys are smoking. A heavy smoke hovers in Ankara's streets and boulevards.

6854

CSO: 1810

HITCH REPORTED IN SOVIET FRONT EFFORTS

Istanbul AYDINLIK in Turkish 20 Mar 80 pp 1,7

[Text] Diyarbakir (Special) -- The National Democratic Coalition [NDC] formed recently by pre-Moscow groups in southeastern Anatolia has begun to collapse. Because partisans of the Kurdistan National Liberationists [KNL] group, which is a member of the NDC, have come out against this alliance, other groups are trying to oust the KNL from the alliance, it was learned. The NDC alliance is expected to disintegrate.

KNL partisans, reacting to the KNL's allying itself with groups openly defending Russia such as the Revolutionary Democratic Women's Association and Freedom Road, do not recognize the group's administration and are going ahead with a separate organization under the name Revolutionary KNL.

The KNL, as is known, has criticized Brezhnev as revisionist and has not accepted the concept of a "socialist system." The KNL's joining the NDC alliance despite these opinions led to the emergence of a strong opposition, especially in Kiziltepe, Gelik and Diyarbakir.

8349

CS0: 4907

NAP ORGAN URGES END TO SUNNI-ALEVI DIFFERENCES

Istanbul HERGUN in Turkish 13 Mar 80 pp 8,7

[Article by Taha Akyol: "For the Attention of Our Alevi and Sunni Citizens"]

[Text] Let us think Alevi or Sunni, but as the children of the same nation. What is the purpose behind these provocations in a nation where "Long live Russia" is shouted in the streets?

The purpose is not to favor the Alevis, the purpose is not to favor the Sunnis; neither is the goal of the provocations to defend this or that religious sect. The basic purpose is to stir up religious differences and set us at one another's throats.

If we fall for this treachery, if we are duped by this Soviet fifth column which is trying to destroy Turkey -- the state which belongs to all of us, if we rise up to murder each other, we only hurt ourselves. Not one Soviet citizen or functionary will turn a hair!

No one of conscience or honor can claim that the Turkish Armed Forces have practiced religious discrimination. No one asks a person his religion when he joins the army. We have officers of every religion. Just as it was yesterday, just as it was during the Cyprus Operation and just as it is seen that national sons of the two religions are among the GI's falling by communist bullets today, the Turkish army is the army of all of us. Those who are shooting at the Turkish army are not partisans of either one religion or the other, they are the enemies of all patriots of all religions, the enemies of the entire Turkish nation.

It is an attempt to bring about, under the guise of religion, a "Bloody Turkey" where brother is against brother, everyone is against everyone else and which the Soviets could easily swallow up.

Alevis, Sunnis, party members, nonparty members, citizens of every region, I say to you, just think: In "Bloody Turkey," which of us can save ourselves from the blood? In such carnage, which of us can protect the right to life of ourselves, our wives, our children?

Then those who wish to bring religious differences to a state of enmity and gradually a cause for civil war are the enemy of us all, of the entire Turkish nation, of all that is Turkish.

I would like to tell you of a true incident which occurred in India when it was a British colony.

Muslim and Hindu leaders had come together in order to make a common struggle against the British. Neither side would interfere in the religious beliefs of the other, neither would insult the other on those grounds, and both would cooperate for the liberation of the common fatherland.

This caused the British great consternation.

One day, the following incident occurred in Punjab. Two Moslems were beating and prodding a cow in an Indian street and began to drag it along however they could. You know that the cow is sacred to the Hindus. The Hindus, unable to tolerate the actions of the Muslims, set upon these two Muslims in earnest. The Muslims shouted for help from their fellow Muslims. The fray began. Hundreds died, thousands were injured. British propaganda took news of this provocation to all India. Throughout India, the carnage spread. The same trick was played on the Sikhs in northern India (present day Pakistan). Despite the heart-rending efforts of such great leaders as Muhammad Ali Jinnah and Gandhi, blood flowed in India for years.

In the end, it turned out that the two supposed "Muslims" who beat the cow were two British intelligence officers, members of the British secret service!

The Russians did the same thing in Turkish regions they occupied.

According to the writings of Zeki Velidi Togan, immediately after the Baku Congress called by the Bolsheviks, the Soviet leaders decided to capitalize on religious differences in order to bring Turkey under its influence.

What the Soviet fifth-column Turkish Communist Party is doing today is the same thing: Trying to use religious differences as the dynamite for civil war!

The "pirate bulletin" sent to the newspapers is propaganda to destroy confidence in the state and our armed forces; indeed, it is enemy propaganda. It is trying to provoke the Alevis and the Sunnis into armed confrontation. In such an atmosphere, the Alevis and the Sunnis must each take as their slogan the following verse by Asik Veysel:

Neither one despised sect nor the other
Are we, but all brothers.
To extinguish the fire between us
Is the only cure.

We must make this understood everywhere, because the Soviet fifth column plans to burn us with our "fire." Governors, party administrators and public leaders must come together and make known what a common catastrophe the Alevi-Sunni provocation is.

Our cities of Ankara, Antakya, Mersin and Adana were shown in the "pirate bulletin," which was a Russian provocation, to be provocation targets. Face-to-face contact between the "sides" should be established to reduce tension and establish a climate of security by holding meetings in all places where our Alevi and Sunni citizens live which would be attended by the parties concerned under the leadership of the governors, especially in these provinces.

Let us not be duped by Russian tricks. On the day that we can be "one for all and all for one," the traitors to our country, now infiltrated by the Soviet fifth column, will be like leeches with their blood supply cut off.

The only way is national unity and solidarity.

8349

CSO: 4907

JP SECRETARY GENERAL ACCUSES RPP OF INCITING WORKERS

Ankara YANKI in Turkish 18-24 Feb 80 p 5

[Interview with Justice Party Secretary General Nahit Mentese]

[Text] JP [Justice Party] Secretary General Nahit Mentese answered YANKI's questions.

[Question] How will you help eliminate the tense atmosphere that exists in the nation?

[Answer] First of all, where does a tense atmosphere exist in the nation? What is its cause? It is necessary to establish this. A dialog on this topic is not taking place between the government and the opposition party. Today, the tenseness within the nation is the result of conflict between those who incite together with those who perform terrorist acts against the state and those who defend it and between the political government and those who oppose it. For example, we can cite incidents taking place in TARIS [Agricultural Workers Union], ANTBIRLIK [Antalya Agricultural Sales Cooperatives' Union], and the state monopolies. When seeking to establish law and order in the wake of demonstrations at these factories, authorities were fired upon by factory workers. Here, it is necessary for everyone to use reason and common sense. RPP [Republican People's Party] spokesmen, instead of reproaching armed workers, customarily incite them. There is no reason for anyone to fight with us. The whole problem is meeting on the true middle line. This is the only solution. Those who deviate from this line must control their own actions. One cannot speak of eliminating the tense atmosphere by substituting lawlessness for the state.

[Question] How do you interpret the fact that there are no clashes between factions within the JP as there are in the RPP?

[Answer] The JP is not a party composed of factions. Its cause is clear. Its goals are obvious. Its course is so well-lit and straight that every patriot can follow it.

[Question] What types of effects did your formation of a minority government have on the JP organization?

[Answer] Our government is not a minority government. The results of the 14 October election demonstrated that the JP has the strength, at the grass-roots' level and throughout the nation, to be the sole party in power. Because this fact was accepted by all the parties, the JP government was formed and received a vote of confidence. The JP organization is pleased that the party has come to power.

[Question] What reactions were there within the party to the price increases and the stabilization measures?

[Answer] The latest stabilization measures taken by the government were the result of inevitable requirements. The 60-day-old government was not the cause of this necessary action. Upon entering 1980, the nation had been abandoned to darkness and shortages. The KIT [Public Economic Enterprises] were losing 250 billion liras per year. The treasury was required to cover these losses. There was no other operation to carry out to eliminate the shortage of foreign exchange, to make factories operate again, to prevent unemployment, and to revive the stagnant development effort. The only solution was to give the patient this bitter pill and treat the disease. The JP organization put forth this truth at its last representatives' meeting. However, it was desired that some measures be taken quickly, and recommendations were given.

[Question] What were the measures that were proposed?

[Answer] The most important and primary measures are taxation and exemption measures that ensure social justice, that will not crush low-income persons, and that will ensure these people opportunities.

[Question] In your opinion, do the JP members at the grass-roots' level support close cooperation with the RPP?

[Answer] The JP places emphasis on social and civilized relations. Our organization values friendship in interparty relations at every level and within its own circles. This civilized atmosphere of ours extends throughout the nation. There are functions that are part of the government program. All of these, whether they be at headquarters or at local offices, are beneficial to the nation. Our party is ready to cooperate with everyone in this area and in actions against terrorism directed toward the state.

[Question] Do you expect an important political development to take place in March?

[Answer] If those who promised unconditional, unrestrained support when the government was formed uphold their contract, the government will continue to function. The month of March is the month in which an important event for our nation will take place. This is the presidential election. Our assembly has elected three presidents since 1960. Now, it will elect the fourth. Whichever candidate meets constitutional conditions and represents the free will of parliament will become president. The choice, the decision belongs to the assembly.

GENERAL STRIKE SEEN AS INEVITABLE

Ankara YANKI in Turkish 18-24 Feb 80 p 24

[Text] "The meeting that took place in Izmir prior to the Oren meeting was called to feel the organization's pulse. Basturk dwelt on a general strike for a long time."

This is how an expert from DISK's [Confederation of Revolutionary Worker Unions] "brain squad" explained his view of the Oren meeting, at which the decision to hold a general strike was made. DISK was preparing a show of force.

When Kemal Turkler was chairman, DISK held these types of meetings in Gonen. Abdullah Basturk changed the tradition when he was elected chairman general. Meetings began to be held, not at Maden-Is' [Turkish Mine, Metal, Metal Works, and Machine Industry Workers Union] facilities, but in Oren so that municipal workers who were having trouble receiving Genel-Is' [Municipal Service Workers Union] wages "could be heard."

During the days when Demirel was forming his government, DISK was confused. Demirel spoke of an "aggressive government" that would not allow democratic rights to be eliminated, but no specific decision on form or method was made.

Until legal regulations dealing with terrorism and the decision to devalue the currency were made, the Demirel government had not determined DISK's "form of activity." However, activities initiated by unions affiliated with DISK at state monopolies, at TARIS [Agricultural Workers Union], and at ANTBIRLIK [Antalya Agricultural Sales Cooperatives' Union] gave an indication of what DISK's actions would be. During this long period of indecision within DISK, Basturk's anger at the RPP [Republican People's Party] revolved around the "bourgeoisie." Basturk engaged in several harsh discussions on the subject of "toughness" even with Secretary General Fehmi Isiklar. DISK was going to become hardened. DISK journals, which rolled off Genel-Is' publishing house printing presses, wrote this decision in large type: "Our answer to the bourgeoisie is clear. Our struggle will become unyielding."

The Izmir meeting took place in this atmosphere. Basturk threw the first blow at the meeting. He said, "They invited us to battle. We accept their invitation." While the administrative council and members of the executive council of DISK member unions laid out their meeting blankets in the warm Aegean sun in Oren and awaited the start of their meeting, the speech that the RPP chairman general in Ankara gave to the Grand National Assembly group was presented to the press. Ecevit had called for sensitivity and an end to silence so that unions could gain their rights.

At the close of the Oren meeting, Basturk stated that the government was being formed with the goal of attacking workers and laborers. He said, "In the face of these political and economic attacks and pressures, general strike throughout Turkey will be held." He asserted that Turkey is being pushed into a dictatorial regime such as those in South America and said, "Mass meetings and marches will be organized." The first "mass" meeting was held in Antalya to support the ANTIBIRLIK demonstration.

The fact that Basturk's announcement followed immediately after Ecevit's speech and the similarity of words used by both led to interpretations among the right that "DISK acts on Ecevit's instructions." While NAP [National Action Party] member Yasar Okuyan said, DISK will put into action Ecevit's call to the nation to rebel," JP [Justice Party] Deputy Chairman General Kemal Dogan claimed that "the Turkish people will not permit DISK, which, with Ecevit's provocation, made a decision to strike, to sabotage the government." The AYDINLIK newspaper, however, was of the opinion that the TCP [Turkish Communist Party] rules over DISK.

DISK also called for the support of Turk-Is [Turkish Confederation of Labor], but Turk-Is' highest administrative body looked upon DISK's decision coldly. It said, "It is not possible for Turk-Is to carry out decisions that its own bodies did not take part in making." Education Secretary Kaya Ozdemir did state, "If necessary, we will also strike," but there was not much of a desire within Turk-Is to strike. When Ozdemir made this statement, Turk-Is was preparing a "social measures package" to present to Prime Minister Demirel.

It is claimed that a general strike is illegal and that DISK must be closed down for making such a decision. The Adana Martial Law Commandant asserted that DISK's general strike decision was proclaimed illegal within the boundaries of Adana Province. DISK Secretary General Fehmi Isiklar was of the opposite opinion. He said, "A general strike is not a crime. The real crime and criminal is the Demirel government. Thousands of workers are being thrown out of work."

Within Turk-Is, several unions that have grown accustomed to acting in opposition to its highest administrative body found the decision to strike "generally" positive. However, according to these unions, the timing was wrong, and it was necessary to wait until March for a general strike. March is the month in which collective bargaining begins for 860,000

workers. And unionists who are aware of the IMF prescriptions believed that bargaining would end in an impasse. Of these, Petrol-Is [Turkish Petroleum, Chemical, Nitrogen, and Atomic Workers Union] said, "We will join a general strike," and, thereby, kept DISK occupied, and Yol-Is [Federation of Turkish State Highway Workers Unions] Secretary General Muzaffer Sarac stated that "it is necessary to wait." Tez Buro-Is [Turkish Office and Clerical Employees Union] Chairman General Ugur Batmaz claimed, "We are already in agreement. The problem of all workers is identical."

DISK pulled itself together. When unions such as Maden-Is [Turkish Mine, Metal, Metal Works, and Machine Industry Workers Union], Baysen [Ministry of Public Works Directorate General of Construction Activities Workers Union], and Banksen [Turkish Bank Workers Union], which were expelled for a 1-year period, returned to the organization, it was perceived that Basturk sought to reach an agreement with the two large unions, Banksen and Maden-Is. For this reason, a unionist who is a Revolutionary Road partisan and who wished to criticize Maden-Is during an argument was silenced with the words, "What is important is that they have returned to us."

Basturk set down the condition, "Be resistant and protect the organization," for the forthcoming general council meeting in Oren. Basturk also made the decision to call a general strike in order to achieve this goal. He was, however, unable to answer the question, "Where will implementation of this decision lead DISK and the country?"

11673

CSO: 4907

FORMER COMMERCE MINISTER CRITICIZES CURRENT ECONOMIC POLICY

Ankara YANKI in Turkish 25 Feb-2 Mar 80 p 11

[Interview with Teoman Koprululer, Republican People's Party Ankara deputy and former commerce minister]

[Text] Teoman Koprululer, RPP [Republican People's Party] Ankara deputy and former commerce minister, answered YANKI's questions.

[Question] As the government completes 100 days in office, how do you evaluate the economic situation?

[Answer] After the JP [Justice Party] formed the minority government, Demirel announced that it would accomplish the following economic goals within 100 days:

Find foreign exchange; make credit available; solve the energy problem; reopen factories; increase production; reduce the rate of inflation; ensure equitable taxation; and eliminate shortages of goods such as fertilizer, cooking oil, diesel oil, sugar, tea, electric light bulbs, and bottled gas.

Examining the economic situation with a nonpartisan eye at the end of 100 days, it cannot be said that these goals have been attained.

[Question] In your opinion, what is the most visible result of Demirel's promises not being kept?

[Answer] Increased productivity has still not been achieved. Unless production is increased, the necessary improvement in our economy cannot be expected. Because production is inadequate, artificial demand continues to exist through an increase in the imbalance between supply and demand. Despite devaluation of 48-100 percent and despite the fact that a month has passed since subsequent incentive measures for the market economy were taken, inflation and problems with foreign trade have not diminished, but, to the contrary, have grown.

[Question] Following devaluation, members of the government announced that foreign exchange and credit were available....

[Answer] In spite of the decision to devalue the currency to such a great extent, a flow of credit that must come from abroad has not yet been able to be ensured. In his latest statement made in Germany, the German minister of finance said that representatives of OECD nations would meet on 25 March and would discuss credit to be given to Turkey. Today, the free-market rate has begun to exceed the official rate of exchange, and a dollar is equivalent to 72 or 73 liras. Following declaration of devaluation of such a high percentage, it is extremely dangerous to set a new price higher than that of the official price. And workers' foreign exchange is prevented from coming into the country.

[Question] Has there been an increase in foreign sales?

[Answer] It would be too optimistic to say that there will be an increase in foreign sales following devaluation. This is because of the fact that, prior to this decision, we possessed nothing to sell abroad other than a couple of agricultural products such as tobacco and poppies. Furthermore, the Demirel government, by eliminating registry procedures in foreign sales, gives exporters the opportunity to leave up to \$40,000 abroad, and, even if our foreign sales actually increase, official foreign exchange receipts will decline.

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CSO: 4907

SENATOR DISCUSSES SUBJECT OF CONSTITUTIONAL AMENDMENT

Ankara YANKI in Turkish 31 Mar-6 Apr 80 p 8

[Interview with Senator Adnan Baser Kafaoglu]

[Text] Presidential Contingent Senator Adnan Baser Kafaoglu has responded to some questions posed by YANKI:

YANKI: Is it true that you have drawn up a bill for a change in the Constitution?

Kafaoglu: I have certain views on the topic of amending the Constitution, and I defended those views in the Constituent Assembly. However, they were not adopted. Presently, I am propounding these thoughts of mine to parliamentarians in and around the legislature, but I have not drawn up a bill and presented it to the Grand National Assembly.

YANKI: Just what were your views on a Constitutional change that were not accepted in the Constituent Assembly?

Kafaoglu: The general inclination in the Constituent Assembly was not to allow a second Menderes to come about. They saw Adnan Menderes as a very powerful leader. I am of the opposite opinion, however. I always considered that it wasn't Menderes' power, but rather his lack of power, that led him to flout the Constitution... for his lack of authority according to the Constitution led him to ignore the Constitution. My views focussed on the point that the 1961 Constitution did not give the executive as much power and freedom of action as it gave the judicial branch. In the 1961 Constitution, as compared with the 1924 Constitution, there were elements which diffused the power of the government.

YANKI: What elements, for instance?

Kafaoglu: The Security Council, and the Superior Planning Council. In addition, it was stated that "The President of the Republic is the chief

executive." But it was never brought out just what this expressed; it has remained symbolic.

YANKI: In your view, what are the articles of the Constitution that should be changed?

Kafaoglu: Even when necessary, recourse is not made to voting by the public. The authority given to the President on this matter is not functional. In order for it to function, it would be necessary that two governments win votes of confidence and then fall, then a third fail to win a vote of confidence — and all within a six-month period. This is simply not possible, and thus this authority of the President has never yet been used. The second way would be for the National Assembly to dissolve itself.

National Assembly members don't vote to dissolve the Assembly. Thus, even when called for, recourse is not made to the popular will, and, as both of these courses become inoperative, the entire system becomes inoperative as well. Our election system produces governments but it doesn't give us governments that can really govern. And when coalitions are made with minor parties, the demands of the minor parties hamstring the government, as in the examples of the 1974 RPP-NSP coalition, and in the National Front governments... This disease was rampant in all the Mediterranean countries. France has abandoned this system; since Italy has not abandoned it, one election has 5 or 6 governments. You can't get anywhere with minority governments.

YANKI: With this system, the JP got over 226 Assembly members in 1969. How do you interpret this?

Kafaoglu: In 1969, a government was indeed formed, but it was set aside by the events of 1971. In 1973 and 1977, no stable government was formed. Now, if all the parliamentarians should introduce a barrier system, the Constitutional Court would abrogate it. In my view, the Constitutional Court has taken over the rights of legislation, and the Council of State has taken over the government's executive authority.

YANKI: In your opinion, what authorities should the Constitutional Court and Council of State have?

Kafaoglu: According to our Constitution, the Constitution can be amended by a two-thirds majority in each chamber of the Assembly. If the Constitutional Court is not suitable for this, then the Constitutional Court can be changed. For it is not the Constitutional Court that changes the Constitution. Throughout the world, when new laws are submitted to congress, if they are counter to the constitution, the legislators object, and, if deemed appropriate, the bill is abandoned; or, if it has already passed, the law is not implemented. It is this way within the Council of State. Executive decisions that are subject to a specific time period

for implementation can be halted. For example, when it is announced that a building will be legally expropriated after a period of 15 days, its owner can petition the Council of State and, if his request is deemed appropriate and the order is suspended, it is not carried out. But the appointment of a civil servant, which does not entail a time period before it becomes effective, should not be stopped by the Council of State after it has been made. For an executive order should not be halted after it has become effective. Retirement decisions are similar cases. If an impropriety has been committed, the decision can be cancelled afterwards. But it has no right to step in and halt such decisions.

YANKI: If the freedom you want to be granted to the executive were indeed granted, how would continuity be assured among the state's personnel? For example, the JP government changed 67 provincial governors and 57 security directors.

Kafaoglu: Governors and ambassadors are in a different situation. They have a special status, and are atypical state employees. The Council of State isn't actually a full court. It has no enforcement branch, and thus there is the possibility that its decisions may not be adhered to.

YANKI: Well, then, who would defend the rights of individuals?

Kafaoglu: The authority that protects the rights of individuals would be compensation. If a civil servant is treated unjustly, the state would pay damages. Anyway, the Council of State still can't maintain an individual in his position if the executive authority doesn't want him there, because the authority to assign civil servants has been granted not to the Council of State but to the executive.

YANKI: In this situation, then, one shouldn't speak of the powerlessness of the government...

Kafaoglu: The government does have authority, to do just about anything... But because it believes that it does not, it is uneasy in what it does do.

YANKI: The constitutional model which you envisage, just what country's constitution does it resemble?

Kafaoglu: France's constitution would be very suitable for us. Naturally, it couldn't be taken over exactly as it is; certain alterations could be made to accord with the makeup of our society. If our system, also, were to give the appointment and assignment of bureaucrats to the President, then a chaotic rearrangement of the bureaucracy with each new government would be prevented.

YANKI: How have the members of the Assembly received these proposals of yours for Constitutional changes?

Kafaoglu: Most have found them both appropriate and correct. For the state has been gradually weakening. The state was stronger in 1961 than in 1971, and in 1971 than in 1980. We must strengthen the state. Powerless states are soon replaced. But: a strong state is not necessarily a totalitarian state.

YANKI: A change in the Constitution was realized during the period of repression after 1971. How will these proposals of yours come about?

Kafaoglu: I don't think it correct to call that period one of repression. It did have aspects peculiar to itself, but a major portion of the changes carried out were made by virtually unanimous vote of all the political parties. The Constitutional change was made because two-thirds of the Grand National Assembly approved it.

YANKI: Demirel, too, is always calling for changes in the Constitution. In your calling for these changes, have the desires of certain circles for changes along these lines influenced you in any way?

Kafaoglu: No. I had propounded most of these changes at the time of the Constituent Assembly. At that time, Demirel hadn't yet come onto the political stage. He first brought up changes in the Constitution in 1969. And in 1971, most of the things he had called for were adopted.

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CSO: 4907

NOTION OF 'GENDARME' ROLE FOR NATION REJECTED

Istanbul CUMHURİYET in Turkish 26 Mar 80 p 3

[Column by Ali Sirmen]

[Text] Israeli Defense Minister Ezer Weizman, who is a brilliant conversationalist, had a discussion recently with Mehmet Ali Kislali, owner and administrator of the weekly magazine YANKI, and touched upon a number of matters related to our nation.

According to Ezer Weizman, the Soviets comprise a great danger in the Middle East, and the most recent events in Afghanistan show that the Soviets will not hold back. The Israeli Defense Minister [believes that], in this situation, all the nations in the region must unite in opposing the Soviets. Weizman maintains that Turkey is the only force in the region capable of stopping the Soviets. This famous politician is not decrying the superpowers' hegemony in the region; he is nervous only over the presence of the Soviets. According to the Minister, the USA's dominance should continue.

Really, Weizman was voicing Israel's traditional policy. To continually promote the idea of a Soviet threat in the region and to pretend not to see the American hegemony — and, in fact, to invite this hegemony — has been the policy Israel has followed ever since her foundation.

There is no doubt but that the aspect of Weizman's remarks that most directly concerns us is the role which he suggested Turkey should assume. Weizman wants Turkey to take her place as the most powerful bastion against the Soviets. However: Turkey's national interests, and her struggle for development, are not congruent with such a role. A Turkey of 50 million people possesses the strength to turn back threats against its territorial integrity and its independence, from no matter what quarter those threats might come; she always maintains this strength. We don't think that any nation would venture to occupy Turkey; it is

certain that any which did venture such a thing would encounter the deserved response. It is an acknowledged fact that all the citizens of the Turkish Republic are resolute on this.

After having stressed yet again these facts which are known to all, it is useful to state the following as well: Turkey is a nation that is strong enough to defend her own independence and territorial integrity, yet she is not of the proper makeup, outlook, or strength to be able to take on the role of a gendarme, either in our region or elsewhere in the world.

The national defense concept, which has for some reason not been mentioned recently, was based on just this point. It is once again necessary to deal with Turkey's NATO membership from this standpoint, and to regard it as a connection which reinforces her own strength. Otherwise, to assign our nation the task of being the gendarme of the region, and to see this as our function within NATO, would not be to our benefit at all.

Turkey is not a nation which should take on a gendarme role, either against the U.S., or against the Soviets, or against China.

It is indeed unfortunate that, in recent days, there has been a visible increase in those who voice, both at home and abroad, the desire for such a role.

Those who advance this view abroad are those who, having looked at the dark clouds which appeared on the horizons of detente even before the developments in Afghanistan, and at the economic difficulties in which Turkey presently finds herself, have convinced themselves that the time is right.

Those who voice the same views within the nation envision a solution to the current economic problems by means of Turkey's taking on the role of a mercenary soldier. The facts of the matter, however, which appear to have bewildered even Weizman, are there for all to see. Those who want to assign this role to Turkey never once hesitated to leave her in the lurch vis-a-vis weapons, equipment, and other necessities by applying the embargo. Moreover, events provide a continual warning to those who rely on the assumption that economic assistance will be provided for political and military reasons. For years, Turkey has been vainly seeking economic aid by advancing political and strategic justifications. To anyone with even the slightest doubt on this point, we recommend a careful reading of our friend Yalcin Dogan's excellent study, the series entitled "Turkey Within the Claws of the IMF".

To take on the role of a gendarme will not bring economic aid; at the most it can bring troubles upon a nation and leave it isolated in the international arena.

The sensitivity and circumspection displayed by the General Staff in Turkey on the topic of the CIA stems from the fact that these realities are well understood among these circles.

It is truly unfortunate that we do not perceive the same sensitivity or the same circumspection within the civilian wing of the government. The economic policy currently being followed poses a number of dangers, which could force our nation into the worst sort of adventure.

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CSO: 4907

ANKARA POLICE DIRECTOR SPEAKS ON PRICE CONTROLS

Ankara YANKI in Turkish 11-17 Feb 80 pp 20-21

[Interview with Ankara Municipal Police Director Turgut Balta]

[Text] Ankara Municipal Police Director Turgut Balta answered YANKI's questions.

[Question] Prior to the newly implemented economic measures, how did you control prices?

[Answer] Prices of durable consumer goods (such as refrigerators, washing machines, and television sets) and cooking oil were established by ministries, and prices of fresh vegetables, fruits, and several foodstuffs were set by the municipality. Enforcement was overseen by our specially trained teams.

Two years ago, with a decision we had put through the Provincial Administrative Council, we made it necessary for tradesmen to include on the labels that they were required to affix to goods they sold the dates and numbers of the invoices and the purchase and sales prices of the merchandise. This practice took place only in Ankara. Merchants who did not obey this were given a warning the first time we took them before the attorney general. Repeated offenses resulted in closure of their stores for a 1-week period. We observed that this was a severe punishment.

[Question] Now, the system of free enterprise has been instituted. Henceforth, how will you control prices?

[Answer] Since these economic measures were taken, anything that bespeaks of our controlling prices has become a thing of the past. Now, everyone who puts goods on the market from the manufacturer to the wholesaler can use any price system he chooses. The function we as a supervisory agency serve is to go window shopping as consumers do and see how much items cost. Henceforth, it will be impossible to say anything about price control. The market will be completely unrestrained.

[Question] Prices that will be established by producers will need the approval of the ministry. Won't you enforce these?

[Answer] Manufacturers will submit prices they set to the ministry for approval. The prices will automatically go into effect if the ministry does not disapprove or raise an objection by a specific date. For example, a manufacturer may ask 40,000 liras for a television set. If the ministry rejects this price and if the manufacturer still sells the set for 40,000 liras, there is nothing anyone can do. If we take a person before the attorney general, there is nothing the attorney general can do. This is because the government cannot issue orders. A situation has been created such that prices are totally in the hands of manufacturers and wholesalers. Henceforth, it will not even be possible to speak of stability.

[Question] What are tradesmen doing now?

[Answer] We were faced with a very interesting situation. Following announcement of very high price increases, all the goods whose prices were left to free enterprise were taken off the market. Here and there a refrigerator or washing machine could be seen in a shop window. They were left there because there was no more room elsewhere to hide them, and all of them bore "sold" signs. In fact, they had not been sold.

[Question] Why did storekeepers take this course when prices were already being raised?

[Answer] This is why. Because we demanded invoice dates and numbers and and purchase prices of goods, store owners could not sell their merchandise for the new prices. Now, they are awaiting the prices to be set anew by factories. They will buy several refrigerators, television sets, and washing machines at these new prices, and they will sell those they have stockpiled using the new invoices.

[Question] Can't you prevent this? Are you able to raise objections or make these practices public?

[Answer] Doing so could, perhaps, push shopkeepers into more stockpiling. However, because it is our goal to prevent tradesmen from committing crimes, I am able to announce that we are comparing invoices noting the amounts of goods that are purchased with the amounts of goods that are on sale. If we detect a large discrepancy, we will apply the necessary penalties. Examples of this were seen in the past. We took the necessary steps against lawbreakers. The legal sanctions go so far as closing down shops.

[Question] There is also the subject of prices of ordinary foodstuffs. The instant the new measures were taken, prices of eggs, vegetables, and fruits rose by almost 100 percent. How do you explain these artificial, unjust price hikes? Can't you prevent them?

[Answer] Our currency underwent devaluation of an average of 50 percent. Everyone wants the same degree to apply to his own business and the goods he possesses. For example, gasoline went from 22 liras to 32 liras. A taxi driver adjusts his fares according to the degree of devaluation, not according to the degree of the gasoline price increase. Yet, when taxi fares were set in the past, they were raised the same percentage as the price of gasoline. In other words, other price increases were not the same as the price increase for gasoline. They could not be. However, it is necessary to acknowledge that the taxi driver is correct in a way. The gasoline price increase is not the same as that of his other expenses. Spare parts, repairs, and tires are proportionally more costly. Eggs, vegetables, and fruits are proportionally more costly. These are also given as reasons for raising food prices and shipping fees. In other words, everyone wants price increases of goods they consume to correlate with the prices of the goods they sell.

[Question] In other words, you are unable to take measures to prevent these unjust price hikes.

[Answer] At this moment, it is not an issue of taking measures. I view the elimination of the authority of various ministries to set prices and the elimination of the Price Control Committee as dangerous moves. Chaos in the marketplace stems from those actions.

[Question] Well then, what will the people do? What should the people do in their struggle against the rising cost of living?

[Answer] The only control over the market remains with the people. Henceforth, the people must apply their own controls over the goods they consume. They must stand up to the seller and ask him for evidence of how much he paid for the goods they buy. We will continue our inspection of invoices. This practice takes place only in Ankara. When we instituted this 2 years ago, the chambers of industry and trade came out in opposition. Now, if they were able to have the practice abolished, there would be nothing we could do. We would not be able to do a thing.

[Question] In the face of this situation, what must the government do?

[Answer] The best thing would have been to continue the old system. There were some drawbacks because laws work slowly. However, these drawbacks could have been eliminated through decisions that have the force of law. There are grave drawbacks in leaving the market alone and to its own devices. Stockpiling and speculation will continue to take place with even greater boldness.

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'HURRIYET' CITES 'LIBERATED ZONES' IN THIRTY-ONE PROVINCES

Istanbul HURRIYET in Turkish 12 Feb 80 p 9

[Text] HURRIYET NEWS AGENCY: Despite the statement made by Internal Affairs Minister Mustafa Gulcugil that "There are no liberated zones left anywhere," there are indeed districts and areas in various parts of the nation where both revolutionary and [rightist] Idealist groups continue to dominate. Police teams still cannot enter, or else can enter only as patrols, into these areas, which are termed "liberated zones" by the various groups.

HURRIYET NEWS AGENCY correspondents have provided the following reports, which are the result of investigations conducted throughout the nation:

Adana

The sections of Tepebag, Denizli, Narlica, Kurukopru, Yurt, and Devrim, which are populated by some 70,000 people, are areas of Idealist activity. If an incident occurs in these districts, military units can enter; police squads can conduct investigations with the assistance of the military units. On normal days, not even electricity-meter readers can enter if they hold leftist views.

The Anadolu and Yavuzlar sections, portions of the Meydan, Sumerevler, and Deniz sections, as well as the Zillidere quarter of the Cemalpasa section — all in all, an area inhabited by close to 100,000 people — constitute the area of activity of the revolutionary groups. The Meydan section, in particular, cannot be entered by any security official. Following the killings of six teachers in the Construction Trades High School, a special commando unit brought from Ankara did succeed in entering into the area. Gunshots are heard from time to time in all these sections.

Agri

The Hurriyet, Teyyare, Cumhuriyet, and Leylekpinar sections are under the revolutionaries' control, while the Bahcelievler, Fevzipasa, Sitkiye and Abide sections are under Idealist control.

Amasya

The city has been split into two sections; the western part is under Idealist domination, and the eastern part is dominated by revolutionaries.

Artvin

Revolutionary groups are currently carrying out activities throughout the city.

Balikesir

Although Balikesir is not considered a liberated zone in the true sense of the word, revolutionary and Idealist groups have divided the city into two parts along the line of the Ankara-Izmir railroad tracks. In particular, the revolutionaries are predominant in the portion of the city towards Izmir which includes the Ataturk Park, while Idealist groups dominate the bazaar and other areas.

Bursa

The Ertugrulgazi and Teleferik quarters of the city are under the revolutionaries' control. Rightist individuals cannot enter these areas. Meanwhile, the Yesilyayla and Sirameseler quarters are controlled by Idealists. Police vehicles are able to patrol all these areas.

Denizli

Revolutionary groups dominate the center of the town, while Idealists dominate the surrounding villages.

Diyarbakir

The Silvan district, which had been proclaimed a liberated zone, has come under the control of martial law security forces.

Erzincan

The whole of the city is under Idealist control.

Eskisehir

Porsuk Boulevard, Yildiztepe, Takkali, and Gokmeydan are areas of activity for revolutionary groups, while Hamamolu Street and the Erenkoy and Emek districts are areas of Idealist activity.

Gaziantep

The Idealists have no liberated zones here. The Duztepe, Nuri Pazarbasi, and Hoagor sections, inhabited by some 30,000 people, are liberated zones

of the revolutionaries. Soldiers are able to enter these areas only when an incident occurs. The Duztepe Police Station, located in the center of these sections, occasionally suffers armed attacks and bombings.

Ciresun

The Seldegirmeni section is clearly under the domination of Idealists.

Hatay

The Cumhuriyet, Vali Cobegi, and Habibin Neccar areas of Antakya are areas of Idealist activity, while the Armutlu, Orhanli, and Afgan sections are areas of revolutionary activity. Soldiers can enter Armutlu, the largest quarter of Antakya, only during incidents. The Hassa, Yayladag, and Dortyol districts, as well as the Isdemir area and the Payas subdistrict, are controlled by the Idealists. The shantytown [gecekondul] areas of Iskenderun are the areas of leftist activity.

Izmir

Karsiyaka, Bornova, Karabaglar, Gultepe, Kadifekale, Konak, Balcova, Eski Izmir, and Yesilyurt are dominated by revolutionaries. In Hatay and Cankaya, clashes occur frequently between Idealists and revolutionaries over the establishment of dominance there.

Kahramanmaraş

Of 22 districts, 20 are completely controlled by rightists. Leftist individuals live only in parts of the Yorukselim and Namik Kemal districts; and these people do not leave their own neighborhoods unless absolutely necessary. The Elbistan, Pazarcik, and Afsin districts have been divided in half between the Idealists and the revolutionaries, almost as if by a rope. In incidents which occur in these areas, only military forces can penetrate into the neighborhoods.

Kars

Revolutionaries are dominant throughout the city. The different sections have been divided up among various factions.

Kayseri

Although not claimed as liberated zones, the Besparmak quarter and Istasyon Street are areas of Idealist activity, while the Fevzi Cakmak quarter, Kicikapi, and the Municipal Square are dominated by revolutionaries. The Develi district is an area of Idealist activity, while the Sariz district is an area of activity by revolutionaries.

Kirsehir

It is claimed that the towns of Omerhacili, Yenice, and Omerkahya are all liberated zones. Of these, all of which are attached to Kaman, Omerhacili is under Idealist control, while Yenice and Omerkahya are under revolutionaries' control. The Cicekdag district is also an area of Idealist activity.

Konya

Idealists dominate Zafer Square, while revolutionaries dominate the Aydinlikevler quarter.

Malatya

The outlying neighborhoods and shantytown [gecekondü] sections are areas of leftist groups' activities.

Manisa

The city is divided into two sections, known as the Upper and Lower Sections. The Lower Section is under Idealist control, while the Upper Section is under the control of the revolutionaries. Frequent attacks are made by leftists against the Lower Section, which constitutes the entrance to the city and is under Idealist control.

Nevsehir

The People's Liberation faction dominates the Hacibektas district, which is claimed to be a liberated zone. The Kozakli district is in the control of Idealists.

Nigde

The central Ilhanli quarter, as well as the Camardi, Aksaray, and Bor districts, are areas of Idealist activity, while revolutionaries predominate in the Ulukisla district.

Ordu

The Fatsa district, with a population of 20,000, is pointed to as a liberated zone in the Black Sea region. In this district, dominated by the Dev-Genc [Revolutionary Youth Federation] group, it is claimed that candidates backed by this group have won elections.

Samsun

The Karsiyaka, Cozaevi, and Carsamba sections, plus portions of the Sela-hiye and Zeytinlik sections, as well as the Saathane Alani and Belediye

area, are under the control of Idealists. Meanwhile, revolutionaries predominate in the Kadikoy, 56'lar, Resadiye, Hastanebasi, Cedid, and Mesken-evleri quarters, the Belediye Evleri section, and parts of the Ciftlik, 19 Mayıs, and Zeytinlik quarters.

Sivas

The central Alibaba quarter, as well as Sarkisla, Divrigi, and the Imeranli district, are controlled by revolutionaries, while in the town of Yenibucuk, attached to Gemerek, Idealists predominate.

Tokat

Merkez Street is controlled by revolutionaries; the other sections of the city are under Idealist control.

Trabzon

Idealists predominate in the Kalkinma, Gulbaharhatun, and Esentepe sections, while the revolutionaries prevail in the Pazarkapi, Yeniceuma, Kemerkeya, Carsi, and Erdosgu quarters.

Urfa

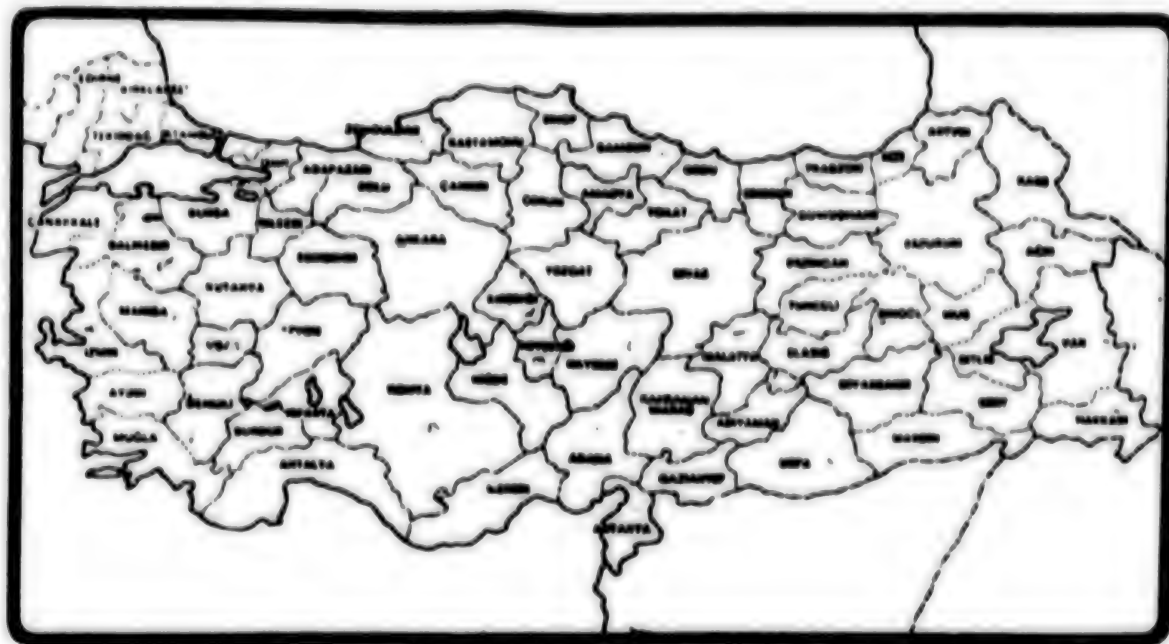
Viransehir, Siverek, and Ceylanpinar, which had earlier been proclaimed to be "liberated zones", have been brought under control by the martial law forces.

Usak

The entrance and exit points of the city are in the control of revolutionary groups.

Zonguldak

At the provincial center, the 467 Evler, 10 Temmuz, and Site sections are under the control of the revolutionaries, while the Karaelmas section is under the control of the Idealists. The Kayabasi section of the Karabuk district, as well as Ankara Street, are dominated by the Idealists, while the 100 Evler, 200 Evler, and Belediye Hali area are dominated by revolutionaries. Gunshots are frequently heard at night, especially in the Kayabasi section.



[The darkened areas represent provinces in which "liberated zones" are located.]

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ATATURK DAM - HYDROELECTRIC POWER PLANT SPECIFICATIONS

Ankara RESMI GAZETE in Turkish 12 Mar 80 pp 81,82

[Text] Announcement

Description of Ataturk Dam and Hydroelectric Power Plant

The Southeast Anatolia Project, with the 20 million donum [about 5 million acres] of land that it will add to the area of modern, irrigated agricultural land, and with the 25 billion kilowatt-hours of hydroelectric energy that it will provide to industry, is among the world's foremost integrated dam projects.

Foremost among the large components of this project, which will give rise to great development within the Turkish economy, is the Ataturk Dam.

This dam, which will be 179 meters high and constructed as a rock-fill dam, will be the fourth-largest dam ever constructed from the standpoint of the volume of fill.

Construction of the Ataturk Dam and Hydroelectric Power Plant has been offered to contractors on the basis of a call for bids. Included in the bidding are the construction of the dam and generating plant, the furnishing and installation of all the permanent equipment, and the fulfillment of all related requirements; the location and specifications of the project are set forth as follows:

1. Location of the project: The project is located on the Euphrates River, approximately 40 kilometers northwest of the Bosova District of Urfa Province, in the 15th Regional Directorate of the DSI [State Hydraulic Affairs Directorate General].

2. Specifications of the project covered by the contract:

2.1. Dam: The dam is to be 179 meters in height, of the rock-fill type, with the volume of fill in the main body of the dam to be 84.4 million cubic meters.

2.2. Diversion channel: The diversion channel, on the left bank, is to be composed of 3 covered tunnels of reinforced concrete, 8 meters in diameter and with a horseshoe-shaped cross-section, having a total length of approximately 3,200 meters.

2.3. Spillway: The spillway, also on the left shore, is to consist of 6 covered channels, each one 16 meters wide and 17 meters in height. The total volume of concrete will be approximately 1.2 million cubic meters.

2.4. Water intake structure: This is to be a concrete structure on the right bank, 70 meters high and 200 meters long. The total volume of concrete will be approximately 630,000 cubic meters.

2.5. Pressurized water tubes: These are to be 8 in number, each with a diameter of 7.25 meters, and totalling 4,720 meters in length.

2.6. Generating plant: Located on the right shore, the generating plant will be 257 meters in length, 49 meters in width, and 55 meters in height. The total volume of concrete is to be approximately 340,000 cubic meters.

2.7. Switching area: The switching area is to be constructed on the left shore on 70,000 square meters of ground. Between the generator and the switching plant will be constructed 4 energy transmission lines, to total 10 kilometers in length.

2.8. Turbines: There are to be 8 turbines of the Francis type, each operating at a level of 154 meters below the water surface, revolving at 150 rpm and producing 400,000 horsepower apiece.

2.9. Valves: There will be eight butterfly valves, each 7.25 meters in diameter.

2.10. Generators: There will be 8 generating units, each with a capacity of 315,000 kilowatts, a voltage output of 15,000 volts, and a revolution rate of 150 rpm.

2.11. Transformers: There will be 3 banks of 8 transformers, totalling 24, each with a capacity of 105,000 kilowatts, with input voltage of 15,000 volts and output voltage of 380,000 volts.

3. The firms that apply for the contract will obtain credit to be used in meeting the full requirements for outside financing necessary for this project.

4. For applicants to take part in the contract awarding procedures in the form of a consortium of firms, they must form these consortia in advance and then apply. Following the application, such consortia will not be able to be altered.

5. Those desirous of participating in the contract awarding procedures must apply by delivering a petition to the DSI Directorate General, Chairman of the Dams and Hydroelectric Power Plants Section, Ismet Inonu Bulvari, Ankara, Turkey. This petition must be received by no later than 5:00 pm on Monday, 16 June 1980. The following documents must be attached to this petition:

a.) Firms making application will provide brochures and catalogs which present both themselves and their suppliers. In addition, for similar projects which the bidders may previously have undertaken, documents listing the site of the project and the name and address of the sponsoring institution and attesting that the project was successfully completed, as well as lists setting forth the type, capacity, and other significant technical specifications of the project, must be submitted.

(In the case of applications submitted by consortia of more than one firm, each firm in the consortium will submit the documents pertaining to itself.)

b.) A letter of intention to provide credit, obtained from the institution which will provide the credit mentioned above in article 3, must be provided.

6. A letter of invitation will be sent to those applicants who are deemed suitable to participate in the bidding and who have completed the application process on time and without omission. Upon payment of 20,000 TL, they will be sent bidding files and invited to submit bids.

7. Applications submitted prior to the date of this announcement, applications made by telegraph or telex, as well as applications delayed in the mail for any reason, will not be accepted.

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NEW BOARD WILL OVERSEE COLLECTIVE LABOR AGREEMENTS

Istanbul MILLIYET in Turkish 21 Mar 80 p 9

[Text] Ankara (ANKARA NEWS AGENCY) -- Collective labor agreements will come under the directive and supervision of the Office of the Prime Minister and a "Collective Agreements Coordination Board" has been formed for this purpose, it was learned.

The directive, dated 5 March and circulated under the signature of Prime Minister Suleyman Demirel to the ministries, the National Intelligence Organization Undersecretariat, the National Security Council Secretariat General, the Office of the Chief of the General Staff and the Turkish Radio and TV Administration, is as follows:

"The labor policy section of the Fourth Five-Year Development Plan provides for the establishment by organizations in the public sector of a joint unit for the resolution of problems they encounter in making collective agreement negotiations binding. The labor and welfare section of the 1980 program also states, verbatim: 'A board to set the labor principles on a national scale of collective labor agreements shall be established under the Office of the Prime Minister.'

"For the success of the economic development program, additional measures to support these implementations are found necessary. Consideration of collective labor agreements from this angle and the balance of labor-management relations bear great importance. The unit envisaged from this standpoint in the plan and in the program has been set up under the Office of the Prime Minister and has begun functioning. The task of chairman of the board has been assigned to Deputy Undersecretary of the Office of the Prime Minister and Deputy Chairman of the Social Planning Office Kazim Oksay.

"With priority on the formulation of principles on a national scale, this board will set general principles within the framework of the public sector and the private sector and will report to the public and other establishments which conduct collective labor agreements. The management sector will conduct negotiations in accordance with these principles and will be in continuous contact and cooperation with these establishments. No collective agreement will be signed without the knowledge of the board." Meanwhile, it is said that the appointed chairman of the board, Kazim Oksay, is pro-Nationalist Action Party.

EXEMPTION FROM MILITARY SERVICE FOR FOREIGN EXCHANGE

Istanbul MILLIYET in Turkish 21 Mar 80 p 6

[Text] Ankara, Special -- The exempted military service bill was discussed and passed by the Senate of the Republic yesterday. The bill will go into effect after approval by the president and publication in the RESMI GAZETE.

In accordance with the exempted military service bill annexed to certain articles of the Military Service Law, by applying to their recruiting offices by means of a form to be obtained from the consulates, military obligees employed abroad who have a residence permit and have worked at least one year in a laborer capacity, who, from the time they reach the age of military obligation until the end of December in the year they complete 29 years of age, pay foreign exchange equivalent to 440,000 liras at the official rate of exchange on 1 March 1980 and who undergo two months' basic military training, will be considered as having fulfilled their military duty. The Council of Ministers is authorized to double the 440,000-lira foreign exchange equivalency.

Those wishing to take advantage of these provisions of the law are to apply through the consulates to their recruiting offices within six months of publication of the law.

8349

CSO: 4907

SLOW GROWTH RATE FORESEEN FOR AGRICULTURE IN 1980

Istanbul AYDINLIK in Turkish 23 Mar 80 p 4

[Article by Cetin Ozkarar]

[Text] The rule of producing what pays rather than what is needed will apply this year thanks to lack of planning in agricultural production, the imbalance in relative prices of products and the lack of confidence created among producers by the base prices announced far in advance of production. Wheat and sunflowers are a good example. These two products to date have been planted according to market prices, not according to national need. The Ecevit government's low price for wheat last year and the demand for sunflowers because of the vegetable oil shortage will militate against wheat production in 1980. While sunflower planting is expanded, wheat planting is expected to decline. This situation, described as production anarchy, changes the totals in product amounts every year. Stabilized production is hampered, and the way is opened to export difficulties and unnecessary imports.

While almost all non-agricultural sectors of the Turkish economy are in turmoil owing to the effects of the crisis, agricultural production has not seen the same decline as industry. Despite such basic input shortages as diesel fuel, fertilizer and chemicals experienced during the time of the Ecevit government, Turkish agriculture, being largely dependent on weather conditions, did not suffer a serious drop in production.

According to a study by the Istanbul Chamber of Industry, agricultural production rose 1.7 percent in 1977 and 3.3 percent in 1978, while an increase of only 8 in 1,000 is expected in 1979 production. In 1980, the agricultural sector may show development of around 1 percent.

Situation for 1980

Good agricultural weather conditions prevailed at the end of 1979 and the beginning of 1980. With these weather conditions, if agricultural inputs had been received on time and if our peasants had had enough money to resume production, agricultural products would have reached record levels

in 1980. The diesel fuel shortage occurring in the fall of 1979 largely disrupted the fall planting that would have been the basis of the 1980 crop. Fall soil preparation is necessary and, for this reason, one-third of arable fields are vacant.

The hope that this shortage could be made up with the spring crop was largely frustrated by the continuing diesel fuel shortage, foul-ups in distribution and such. Difficulties in resuming production encountered by low- and middle-income peasants because they could not get enough money have also diminished this hope.

Now, diesel fuel is selling on the black market for around 30-35 liras. The situation is no different in fertilizer. Prime Minister Demirel's assertion that "there is diesel fuel in 55 of our provinces, and fertilizer will be there" still seems far from reflecting the truth. This situation prohibits large-scale use of fertilizer. While 1.3 million tons of fertilizer were used in the first 3 months of last year, this year's consumption is still only 600,000 tons. The fertilizer used has dropped to half. Cotton, sunflower and potato production, in particular, stands to suffer a significant shortfall because of the fertilizer shortage.

Low Development

Under the present circumstances, the 1980 wheat crop is expected to be around 16 million tons. This amount is still at a level to allow Turkey to sell wheat. It is hoped that the sunflower crop will come in at the 500,000-ton level. Production at this level will enable reduction of the oil shortage but will not eliminate importation altogether. If the producers are paid the 6 billion-lira sum due them, the sugar beet crop is expected to be large enough to prevent sugar importation next year.

According to these data, it may be said that 1980 is not a good year for agriculture. If the producers had been paid their receipts on time and had been given adequate credit and if the use of agricultural inputs had not been blunted by shortages and price increases, there could have been a 3 percent to 4 percent development rate in agriculture this year.

However, there is no question of a food shortage at the level of a general famine in 1980. Exports of agricultural products are not expected at a level to contribute significantly to the foreign exchange squeeze, though. The policy of both the Ecevit and Demirel governments of placing the burden of the economic crisis on the shoulders of the producer peasant has blocked the increase of agricultural production. For this reason, Turkey will have to be content with a 1-percent growth rate this year.

FERTILIZER SHORTAGE SAID TO JEOPARDIZE PRODUCTION

Istanbul CUMHURIYET in Turkish 22 Mar 80 p 4

[Text] Ankara (CUMHURIYET BUREAU) -- Only 40 percent of the fertilizer needed for application in April as spring fertilizer can be provided and the lack of fertilizer will have a negative effect on wheat production, it was reported.

Sam Dogan, chairman of the Chamber of Agricultural Engineers (ZMO) under the Turkish Union of Chambers of Architects and Engineers, announced that 2.5 times less fertilizer had been used in the first 2 months of 1980 than in the same period of 1978 and 1979. Dogan, explaining to CUMHURIYET the ZMO's efforts on the fertilizer problem, said that "January and February 1980 were short 800,000 tons of fertilizer, imports are 1 million tons short, domestic production is 800,000 tons short, and the overall fertilizer shortage is 2.6 million tons."

The ZMO study points out that the inability to obtain spring fertilizer in adequate amounts puts a large fertilizer shortage in central Anatolia "squarely, irrefutably and 'nevitably'" on the agenda and lists as follows the status of the regions and crops that will be planted without fertilizer:

Coastal Belt

The time for applying nitrogen fertilizer for cereals in the coastal belt has passed. Because there is no fertilizer in southeastern and central Anatolia right now, less than 20 percent of the fertilizer needed may have been provided, especially in the Urfa, Mardin and Diyarbakir areas.

Central Anatolia -- Grain

Since the farmers in central Anatolia used all of the available fertilizer in the fall planting and they no longer have the purchasing power to buy fertilizer since the recent price increases, the status of grain production in this region is questionable.

Cukurova -- Cotton

Cotton planting has begun in Cukurova and is about to begin in the Antalya and Aegean regions. The fertilizer price increase did not affect the Cukurova producer, but it was announced that there was not sufficient fertilizer in the area. Contrary to official announcements, only 50 percent of the Cukurova fertilizer requirement has reportedly been met to date, and there is concern that the same situation may occur in two to three weeks in the Antalya and Aegean areas and that there will be large drops in 1980 cotton production owing to the lack of fertilizer.

Sugar Beets

It is reported in the study, moreover, that there will not be an adequate sugar beet crop because of the lack of fertilizer. The view is held that Turkey, which had never purchased sugar abroad until 1980, will be importing a great deal more sugar in 1981. Summer crops also, especially sunflowers, reportedly will inevitably be affected in large measure by the lack of fertilizer.

Comparison with Past Years

The ZMO study, pointing out that fertilizer stocks as of March in 1980 and the preceding years were similar, reports that the "1.9 million-ton shortfall in fertilizer procurement in 1980" was inevitable. Production and import comparisons are shown as follows:

Production

Domestic fertilizer production for the March - July period was 780,399 tons for 1978 and 1,274,955 tons for 1979. As opposed to this, 2,193,849 tons of fertilizer must be produced domestically in the March - July period to realize the spring program for 1980. Accomplishing production of this amount is impossible. Only 600,000 tons of nitrogen fertilizer and 600,000 tons of phosphorus fertilizer will be produced during that period and the deficit for the year will be 1 million tons.

Imports

Importation of a reported 2 million tons of fertilizer will be required by the end of June. Of the 2.273 million tons needed for the 1980 spring planting alone, 1,360,687 tons have been ordered and 253,293 tons of this arrived during January and February. The arrival of 474,315 tons in March and 633,079 tons after March is certain for the present. It is understood under these circumstances that the above fertilizer which is yet to come, "if indeed it does," will still be around 900,000 tons short of the 1980 importation program.

SELECTIVE LIST OF JPRS SERIAL REPORTS

WESTERN EUROPE SERIAL REPORTS

WEST EUROPE REPORT

WEST EUROPE REPORT: Science and Technology

WORLDWIDE SERIAL REPORTS

WORLDWIDE REPORT: Environmental Quality

WORLDWIDE REPORT: Epidemiology

WORLDWIDE REPORT: Law of the Sea

WORLDWIDE REPORT: Nuclear Development and Proliferation

WORLDWIDE REPORT: Telecommunications Policy, Research and Development

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